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OW290859 Beijing XINHUA in English 0851 GMT 29 Feb 84

[Text] Beijing, February 29 (XINHUA) -- Dr Helmut Kohl, Chancellor of the Federal Republic of Germany, will pay an official visit to China October 8-14 this year at the invitation of Premier Zhao Ziyang. This was disclosed by Wang Zhenyu, deputy director of the Information Department of the Foreign Ministry, at a weekly news briefing here this afternoon.

He also announced that the fourth round of consultations between the special envoys of the governments of China and the Soviet Union will begin on March 12 in Moscow, in accordance with the agreement reached between the two countries. The special envoy of the Chinese Government to the consultations is Qian Qichen, vice-minister of foreign affairs, Wang Zhenyu added.

PRC OFFICIAL AT LONDON NUCLEAR WASTE MEETING

OW252222 Beijing XINHUA in English 1838 GMT 25 Feb 84

[Text] London, February 24 (XINHUA) -- Thirty-six nuclear and non-nuclear countries agreed here today to ban dumping of highly radioactive waste at sea until a research to be conducted proves it "technically feasible and environmentally acceptable." The agreement was reached at the five-day eighth consultative meeting of the International Maritime Organization's London dumping convention, which ended here this evening.

The convention's chairman, Geoffrey Holland of Canada, said that the delegates agreed that a voluntary ban on dumping of low-level nuclear waste proposed by Spain and passed last February will remain in effect through September 1985 until it is proved safe for marine life. During heated discussions at the meeting, however, delegates from more than 20 countries expressed support for land storage rather than sea disposal.

China attended the meeting for the first time as an observer to have a better understanding of the convention which was set up in 1972 to regulate sea dumping of nuclear waste in the world. Speaking at the meeting, Chinese representative Wu Jun said China is interested in the convention and is in the process of initiating study of it.

RENMIN RIBAO ON PETRODOLLARS IN WORLD ECONOMY

HK230737 Beijing RENMIN RIBAO in Chinese 15 Feb 84 p 7

["Special" commentary by Ma Xinqing: "Petrodollars in the World Economy"]

[Text] The term "petrodollars" is used with reference to Third World countries, particularly Middle East oil-producing countries, to designate the profit remaining from income from oil sales after deductions for imports. This is called oil profit funds, but internationally is generally known as petrodollars. Steep rises in the price of oil since 1973 have brought about similarly steep increases in the incomes of oil-producing countries. According to statistics, the total oil income of all the various oil-exporting countries from 1973 to 1981 amounted to \$1,274.818 billion, while oil profit funds amounted to \$503.8 billion.

These enormous quantities of petrodollars, the spoils of victory from the oil war, have been used primarily for the development of the national economies of oil-producing countries, and to carry out economic diversification and modernization. Many oil-producing countries, using these abundant funds as a backing, have launched large-scale social and economic development programs. Saudi Arabia allocated funds for its second 5-year plan (1975-1980) amounting to \$142 billion, while for its third, the largest in the world, it allocated \$235 billion. Large-scale use of petrodollars has hastened the pace of economic growth in oil-producing countries, and strengthened their status and influence in the world economy.

The flow of petrodollars constitutes an active factor in today's world economy. According to international clearing bank estimates, by the end of 1982, the net value of foreign assets owned by OPEC nations amounted to \$405 billion. The majority of petrodollars had flowed back to advanced industrialized capitalist countries of the West as bank deposits, direct investments, negotiable securities, and so on. By 1982 the total amount of investments in the United States by Saudi Arabia, Kuwait, the United Arab Emirates and Qatar alone amounted to \$225 billion. Western Europe is also an important investment area for petrodollars. By the end of June 1981, deposits of OPEC countries in European banks totaled \$117 billion.

It should be pointed out that the inflow of petrodollars to a certain extent made up for the United States' and Europe's international trade deficits, and helped to alleviate the economic "stagflation" of the West. However, because investments were made in the most easily retrievable and mobile forms, Western financial and money markets were often shaken violently; this then became an important factor in international financial upheaval. At times of international currency exchange fluctuations, when oil-producing countries withdrew money from their deposit accounts, those Western banks and enterprises which were using money deposited by oil-producing countries would fall into recurrent financial difficulties. In this sense, the inflow of petrodollars to the West constituted a strong lever used by the oil-producing countries to exert economic influence over the West.

Petrodollars also played a positive role in assisting developing countries. Between 1974 and 1980, a total of \$48.2 billion was received by developing countries from oil-producing countries. A considerable part of this sum was supplied through channels such as the various development funding organizations, the United Nations, the IMF and the World Bank. By the end of 1981 the Islamic Development Bank, the Abu Dhabi Arab Economic Development Fund, the OPEC International Development Fund, the Saudi Arabia Development Fund, the Iraq Foreign Development Fund, the Kuwait Arab Economic Development Fund, the Arab Social and Economic Development Fund, and the Arab-African Economic Development Fund, a total of only 8 organizations, had provided a total of 1,073 loans to developing countries, amounting to a total of \$13,885 million. In 1982 these eight organizations, along with the Arab foreign investment corporation of Libya, provided aid amounting to a total of \$2,674 million to developing countries. All of these aid loans were granted on relatively favorable terms, with credit limits of from 10 to 35 years and annual interest rates ranging from 1.5 to 6 percent. This helped developing countries escape their chronic shortage of money and develop their own economies. Over the past few years aid from the oil-producing to developing countries has increasingly taken the form of establishing joint corporations, and a whole series of different joint enterprises have appeared in the Arab countries, Africa, South Asia, Southeast Asia, and Latin America, promoting the development of South-South economic cooperation.

It is worth taking note of the fact that since the beginning of this decade, a new trend has appeared in the direction of the flow of petrodollars. After 1979, when the United States froze \$7 billion in Iranian bank deposits, the oil-producing nations, in order to guarantee the security and profits of their investments, invested less in the United States and more in the FRG and Japan. Current investments by oil-producing countries in the FRG stand at 70 billion Deutsche mark, while investments in Japan now exceed \$20 billion.

Investment activities have also been stepped up in such areas as Singapore, Hong Kong, South Korea, India, Malaysia, and so on. At the same time, long-term considerations have prompted oil-producing countries to expand investment in foreign industry, commerce, and real estate, to improve management and control over petrodollars, to form joint banking and financial groups with Western countries, and to make great effort to develop their own financial sectors. Initial steps have now been taken toward the establishment in the Persian Gulf region of an Arab banking system embracing various state-run, joint state- and commercially-run, and multinational banks. This system breaks through the imperialist monopoly over international finance.

To sum up, petrodollars represent an important financial force in the world economy, and play a positive role in the struggle of Third World countries to establish a new economic order. However, the development of oil funds is restricted by world economic conditions, the state of supply and demand in oil, and oil price fluctuations. Over the last few years the influence of the economic recession in the capitalist world has caused a drop in the demand for oil and a consequent fall in oil prices, such that oil income among OPEC countries was 20 percent lower in 1982 than in the previous year.

After the sudden drop in oil prices at the beginning of last year, OPEC decided to cut production to maintain price levels, and implemented restricted production. All the various oil-producing countries also took steps to overcome current difficulties like cutting down on construction projects, slowing the pace of growth, reducing foreign aid, and so on. With the world economic recovery, oil prices and production may rise again, and petrodollars will continue to be a force to be reckoned with in the world economy.

JOINT OIL VENTURE CONTRACT SIGNED WITH U.S. COMPANY

OW282028 Beijing XINHUA in English 1452 GMT 28 Feb 84

[Text] Beijing, February 28 (XINHUA) -- A contract was signed here this evening between two Chinese oil companies and an American company on establishing a joint venture to provide laboratory, engineering, consulting and field services for offshore and onshore oil development.

The contract, which covers a term of ten years, was signed by the Scientific Research Institute of Petroleum Exploration and Development of the China National Oil and Gas Exploration and Development Corporation (CNOGEDC), the Nanhai Eastern Petroleum Corporation of the China National Offshore Oil Corporation (CNOOC), and Core Laboratories International Ltd. of the United States.

The Beijing-based venture, China-Corelab Limited, will set up three affiliates in Guangzhou and the Shekou industrial district of the Shenzhen Special Economic Zone in Guangdong Province, and Wanzhuang in Hebei Province.

CNOGEDC President Zhang Wenbin said that China has rich oil resources and he hoped that more foreign firms would establish economic and technical cooperation with China.

U.S. BUILDING SECOND-GENERATION ANTISATELLITE WEAPON

OW282142 Beijing XINHUA in English 1908 GMT 28 Feb 84

[Text] Washington, February 28 (XINHUA) -- The U.S. Defense Department has begun working on a second-generation anti-satellite weapon that could destroy enemy spacecraft in high orbits. U.S. officials indicated that the project will probably concentrate on ground-launched satellite killers or laser beams.

The U.S. Air Force conducted the first flight test of an anti-satellite missile from an F-15 flying out of Edwards Air Force Base, California in January. This first-generation anti-satellite weapon can destroy low-orbiting satellites.

Richard D. DeLauer, under-secretary of defense for research and engineering, told a House Armed Services Committee panel yesterday that the Pentagon is seeking 143 million U.S. dollars in the fiscal 1985 budget request for continued development and initial procurement of the first-generation weapon. DeLauer also disclosed that work has begun on a more advanced system. "We have directed a comprehensive study to select a follow-on system with additional capability to place a wider range of Soviet satellite vehicles at risk," he said.

U.S. officials have concluded that the United States needs anti-satellite weapons because the Soviet Union already has them and they could use satellites to target U.S. ships and other forces during a conflict. They noted that the 4-billion-dollar system could become operational by 1987.

The anti-satellite weapon program has been controversial, with some Congress members urging the administration not to prepare to fight a war in space. Arms control activists in this country oppose developing the new weapon system, contending that the action will lead to a new arms race and increase the danger of a nuclear war.

UK CONFIRMS USSR BUILDING NEW SS-20 BASE

OW280710 Beijing XINHUA in English 0641 GMT 28 Feb 84

[Text] London, February 27 (XINHUA) -- The British Foreign Office confirmed in a statement tonight that the Soviet Union has begun building a new SS-20 missile base to target on Western Europe.

The base is the first of its kind since the late Soviet President Leonid Brezhnev declared a moratorium on building such bases in March 1982. The Soviets had steadily increased their SS-20 missiles during the past two years, but that applied only to those existing sites.

The new Soviet base will deploy at least 9 SS-20 missiles with 27 independently targeted warheads all together. The Soviet Union has so far deployed a total of 378 SS-20's, of which 243 are targeted on Western Europe and the remaining 126 aimed at Far Eastern targets, according to Western intelligence reports.

The British Foreign Office regretted the Soviet decision to start building new bases, and said "to suggest that the deployment of more SS-20s can be justified as a counterweight to NATO's deployment of Pershing II and cruise missiles in Britain is preposterous."

The office confirmed that the West had 25 comparable weapons now deployed. That is a reference to the total number of warheads of the 16 cruise and 9 Pershing II missiles deployed last December.

DEFENSE MINISTER USTINOV ON USSR-U.S. NEGOTIATIONS

OW290729 Beijing XINHUA in English 0631 GMT 29 Feb 84

[Text] Moscow, February 28 (XINHUA) -- Soviet Defense Minister Dmitriy Ustinov reiterated here today the Soviet Union's readiness for negotiations provided that the United States and its NATO allies are prepared to return to the status quo prior to the deployment of new American missiles in Western Europe.

Speaking to the electorate here, Ustinov said that the deployment of new U.S. missiles in Western Europe has posed an additional threat to the security of the Soviet Union and its allies. He rejected Washington's assertion that the deployment of U.S. missiles has consolidated Europe's security.

The Soviet Union will judge the seriousness of the U.S. administration's readiness for dialogue with the Soviet Union by its deeds, not its words, he said. He also reaffirmed Moscow's determination to do its utmost to strengthen its armed forces.

FURTHER ON ROK TENNIS TEAM'S VISIT TO PRC

Agreement on Names

OW290321 Tokyo KYODO in English 0307 GMT 29 Feb 84

[Text] Kunming, China, Feb. 29 KYODO -- China and South Korea cleared a major obstacle to their scheduled competition in regional matches for the Davis Cup tennis tournament Tuesday when the latter agreed to take part in the Eastern Zone meetings under the English name of "Korea."

The South Korean tennis team also agreed to a Chinese proposal that both Chinese and South Korean national anthems and flags will not be used during the three-day competition, the first face-to-face encounter between athletes of the two countries in China, beginning Friday.

The two countries, which fought with each other in the 1950-53 Korean War, have no diplomatic relations. The South Koreans arrived at this southwestern China city via Hong Kong where they obtained entry permits from the Beijing Government.

The proposal was made by Mou Zuoyun, vice president of the Chinese Tennis Association, and it was discussed with Eiichi Kawatei, and executive official of the International Tennis Federation (ITF), before being relayed to South Korean delegation leader Kim Tok-yong.

Diplomatic sources in Beijing said Wednesday the Chinese proposal on the naming of South Korea may be a sign of its emerging positive attitude toward the country. In the past, the Chinese Government called South Korea "Korea" in regard to international sports events held overseas, but never did so as far as domestic affairs were concerned.

South Korea prefers to be called "Republic of Korea," and North Korea "Democratic People's Republic of Korea." The Chinese idea to use the more neutral term of "Korea" was put forward at a time when China and South Korea are increasing contact in the field of sports activities.

A senior Chinese sports official earlier said the Chinese Government plans to send a delegation to Seoul in October for a general meeting of the Olympic Council of Asia (OCA) which will discuss the venue of the 1990 Asian games. The city of Beijing has been competing with the Japanese city of Hiroshima to host the major event being held every four years.

Activities in Kunming

OW271439 Tokyo KYODO in English 1236 GMT 27 Feb 84

[Text] Kunming, China, Feb. 27 KYODO -- South Korean tennis players had their first contact with ordinary Chinese Monday after arriving at the weekend to play China in the Davis Cup Eastern Zone quarterfinal here. Members of the South Korean team talked to soldiers of the People's Liberation Army and representatives of local minorities and posed with them for photographs at a sightseeing spot.

The leader of the South Korean team ran into a Taiwanese television personality who had recently returned to China in the premises of a temple, and had an "unexpected" exchange. Chinese watches on South Koreans were strict, and some guards checked the ace player of the Korean team from taking photos at one time. But generally the Koreans looked at ease.

South Korea and China are meeting in a sports event in China for the first time ever as the two countries have no diplomatic ties. The Davis Cup matches are scheduled March 2-4.

The Korean athletes watched a popular long-run movie on Chinese traditional martial arts at the invitation of the Chinese authorities Sunday night. The amusement film depicts contests between Chinese martial artists and their foreign counterparts under the historical background of foreign occupation of China since the Boxer Rebellion in 1900. The Korean visitors cheered each time Chinese defeated their rivals, who were supported by Russian businessmen.

JSP STRESSES STRENGTHENING TIES WITH CPC

OW290903 Beijing XINHUA in English 0652 GMT 29 Feb 84

[Text] Tokyo, February 28 (XINHUA) -- The Japan Socialist Party [JSP] in its platform for 1984 said that U.S.-Soviet involvement in the disputes in various parts of the world has aggravated the international situation. The platform adopted at its 48th national congress, which concluded here this afternoon, pointed out that intensification of U.S.-Soviet nuclear confrontation has turned Japan into a nuclear base.

Addressing the two-day congress, Chairman of the Japan Socialist Party Masashi Ishibashi said that his party will adopt a flexible and realistic policy and step up coordination with other opposition parties such as the Komeito Party so as to develop faster its own forces.

Dealing with China, the new platform said that China's economic readjustment policy has scored certain achievements. It said that China is actively striving for quadrupling its total industrial and agricultural output value by the end of this century, strengthening Japan-China relations, improving Sino-Soviet and Sino-U.S. relations so as to create a peaceful environment.

The Japan Socialist Party will continue to strengthen its friendly relations with the Chinese Communist Party in 1984 and make great efforts for exchanges between the youth of the two countries, the platform stressed.

FURTHER REPORTAGE ON WU XUEQIAN'S MALAYSIAN VISIT

Attends Banquet

OW281649 Beijing XINHUA Domestic Service in Chinese 1336 GMT 28 Feb 84

[Text] Kuala Lumpur, 27 Feb (XINHUA) -- Malaysian Foreign Minister Ghazali Shafie gave a banquet in honor of Chinese Foreign Minister Wu Xueqian in Kuala Lumpur this evening. In their speeches at the banquet, the foreign ministers of the two countries said that the two countries would further develop the friendship and cooperation between them on the basis of the five principles of peaceful coexistence.

Ghazali said in his speech: Events in Kampuchea have served to underline the dangerous consequences which result from the unbridled pursuit of power and interference in disregard of established international norms. He said: "We believe in strong and viable states in ASEAN and equally in the states of Indochina. But we cannot accept external or foreign interference in or domination over any of these states under any excuse or pretext whatsoever."

He spoke highly of Wu's current visit to Malaysia. He said: It is our hope that your visit and the sincere and friendly talks [cheng zhi you hao di hui tan 6134 2304 0645 1170 4104 2585 6151] with some of our leaders will contribute to further enhancing understanding and friendship between the two countries.

[Beijing XINHUA in English at 1030 GMT on 28 February, in its report of the Malaysian foreign minister's banquet for Wu Xueqian, renders this paragraph as follows: "He spoke highly of Wu's current visit to Malaysia. He said, 'It is our hope that your visit and the friendly, cordial, and candid discussions you have had with several of our leaders, discussions which were conducted in an atmosphere of complete informality, will contribute to further enhancing understanding and friendship between our two countries which had contacts well from olden times.'"]

He said: "We are looking forward to future cooperation in further improving our relations in all fields. The Malaysian Government sincerely hopes to improve its relations with the People's Republic of China on the basis of the five principles of peaceful coexistence."

Foreign Minister Wu Xueqian said in his speech: "This is my first visit to Malaysia." "I greatly admire your efforts and achievements in bringing about economic diversification and national industrialization. I wish the Malaysian people still greater achievements in national construction."

Wu Xueqian said: "The Chinese Government pursues a foreign policy of peace and friendship. China opposes hegemonism and power politics, and calls for the cessation of the arms race, the drastic reduction of nuclear weapons and the relaxation of international tension. This has been our consistent position. We have consistently opposed the Vietnamese armed aggression and military occupation of Kampuchea, upheld the relevant UN resolutions and the declaration of the international conference on Kampuchea and demanded that all foreign forces withdraw from Kampuchea so that the Kampuchean people will turn Kampuchea into an independent, peaceful, neutral and nonaligned country according to their own will. We take the stand that so long as the peace-loving countries and peoples in the world close their ranks and carry out firm struggles against hegemonism, world peace can be maintained. Together with Malaysia and other countries, we will continue to support the struggle of the Kampuchean people and contribute our share to the just and reasonable settlement of the Kampuchean question. We also believe that peace and stability can be maintained in Southeast Asia."

Wu Xueqian pointed out: The friendship, cooperation, economic relations and trade between China and Malaysia have been strengthened since the establishment of diplomatic relations between the two countries 10 years ago. "Our two countries hold basically identical views [ji ben yi zhi di kan fa 1015 2609 0001 5268 4104 4170 3127] on many important international questions at present. We are glad that the sincere and friendly talks between we two foreign ministers this morning have been most useful to increasing further our mutual understanding and friendship."

In conclusion, Foreign Minister Wu Xueqian said: "China has repeatedly and solemnly declared that under all circumstances China will abide by the five principles of peaceful coexistence, the universally recognized norms guiding relations between states. We Chinese people are dedicated to building up our country, and desire a peaceful international environment and a peaceful and stable Southeast Asia. Our two countries have different social systems and ideologies, but this is not and should not be an obstacle to the further development of Sino-Malaysian relations. We should say that there are great potentials and good and broad prospects for China and Malaysia to expand and strengthen bilateral friendship and cooperation. We are convinced that with the joint efforts made by our two sides, the friendly relations and cooperation between the two countries will be further developed in the next 10 years."

The XINHUA English version concludes as follows: "He continued, 'We are glad that the sincere and friendly talks between us today are most useful to increasing mutual understanding and friendship. China has repeatedly and solemnly declared that under all circumstances China will abide by the five principles of peaceful coexistence, universally recognized norms guiding relations between states. We Chinese people are dedicated to building up the country, and desire a peaceful international environment and a peaceful and stable Southeast Asia. Our two countries have different social systems and ideologies, but this is not and should not be an obstacle to the further development of Sino-Malaysian relations.'"

Holds Press Conference

OW290115 Beijing XINHUA Domestic Service in Chinese 1627 GMT 28 Feb 84

[Text] Kuala Lumpur, 28 Feb (XINHUA) -- Speaking at a press conference here this morning before his departure for home, Chinese State Councillor and Foreign Minister Wu Xueqian said that his visit to Malaysia had been successful and useful.

Wu said that he had good conversations with Malaysian Prime Minister Mahathir and Deputy Prime Minister Musa on enhancing the relations of friendship and cooperation between the two countries, and that his talks with Malaysian Foreign Minister Ghazali proceeded in a useful, friendly, sincere and frank way. The two sides exchanged views on issues of mutual concern and held identical views on many issues; the two sides also exchanged views on the existing problems between them, he said. Wu believed that the talks were beneficial to the further promotion of mutual understanding between the two countries. He noted that this year is the tenth anniversary of the establishment of diplomatic relations between China and Malaysia, and that he was delighted to have visited Malaysia on this memorable occasion. He expressed the conviction that the relations between the two countries would be developed in broader fields in the next decade.

Wu Xueqian then answered questions raised by reporters.

On a political solution to the Kampuchean issue, he said: "The Chinese Government has all along advocated a fair and reasonable solution to the Kampuchean issue through consultations [xie shang 0588 0794] among all sides concerned. This means that we stand for a political solution to the Kampuchean issue. But the major obstacle to such a solution comes from Vietnam. So far, people have not yet seen any sign of Vietnam's willingness to commit itself to a troop withdrawal from Kampuchea. Seen from the side of the Kampuchean patriotic resistance forces, the situation is very good. The Kampuchean tripartite Coalition Government is playing an increasingly bigger role. While Vietnam has gained nothing on the battlefield so far this year, the Democratic Kampuchean Coalition Government has initiated military operations and scored certain successes. To promote a political solution to the Kampuchean issue, the Chinese Government is willing to cooperate closely with the ASEAN states. During my talks with the Malaysian foreign minister, both sides held identical views in this regard. We agreed to the need to redouble the aid to the Kampuchean tripartite patriotic forces and to win greater sympathy and support for them in the international arena."

As to the future of Kampuchea, Wu said, after the withdrawal of the Vietnamese troops, China hopes to see a peaceful, neutral, independent and nonaligned Kampuchea. China does not stand for a one-party rule in Kampuchea, but hopes to see a coalition of various political parties. Kampuchea should choose its own government apparatus through general elections under United Nations supervision. We believe that this stand is conducive to peace and stability in Southeast Asia. China does not seek any self-interest on the Kampuchea issue. Vietnam's repeated accusations of the so-called Chinese threat to Southeast Asia are totally groundless as China is now engaged in building itself into a modernized state. On the Kampuchean issue, we want no more than justice. Together with the Southeast Asian countries we are trying to find a solution which will bring peace and stability to the region. On international support for Kampuchea, he said China will be willing to join other countries concerned in providing international guarantees to Kampuchea after Vietnam withdraws its troops from Kampuchea and after Kampuchea becomes a peaceful and neutral country.

Asked to comment on the relationship between the CPC and the communist parties of Southeast Asian nations including the Malaysian Communist Party, Wu Xueqian said this is an issue left over by history. It emerged after World War II. Party problems existing in various countries should be handled by the governments of the countries concerned. This is an internal affair in which China will never interfere. China's relations with the communist parties of the Southeast Asian nations have basically been solved through consultations with countries concerned on many occasions. He said the CPC maintains only a moral relationship [dao yi shang di guan xi 6670 5030 0006 4104 7070 4762] with the Malaysian Communist Party. He pointed out that it is an international phenomenon for a party of a given country to maintain ties with a party of another country. The CPC maintains relations with communist parties of other countries; it also has ties with some nationalist parties in Africa and some socialist parties in Europe. In fact, socialist parties of various countries have relations with each other. Some religious bodies also keep international ties. Such moral relationships are thus an international phenomenon.

On the question of issuing visas to Malaysians of Chinese origin for visits to China, Wu Xueqian said China has never issued entry permits to Malaysian citizens of Chinese descent for them to return to China. We have more than once expressed our opposition to dual nationality. We believe that resident Chinese in Malaysia, after they have voluntarily taken Malaysian nationality, should be considered Malaysian citizens, not Chinese citizens. There was a full exchange of views on the issue with the Malaysian leaders during this visit. I am convinced that appropriate measures can be found in future to solve this problem so that there will be more exchange of visits.

Foreign Minister Wu Xueqian left the Malaysian capital by plane at noon today. He was seen off at the airport by Malaysian Foreign Minister Ghazali.

Departs From Malaysia

OW281210 Beijing XINHUA in English 1203 GMT 28 Feb 84

[Text] Kuala Lumpur, February 28 (XINHUA) -- Chinese Foreign Minister Wu Xueqian left here this morning after a three-day visit to Malaysia which he described as "successful and beneficial." Before his departure, Wu told a press conference that he had discussions with Malaysian leaders on issues of common concern and bilateral relations. They shared identity on many issues discussed, he said. At the press conference, he also answered questions posed by reporters on the issues of Kampuchea, Lebanon and China's relations with Malaysia.

HAINAN OFFICIAL IN HONG KONG LAUDS ISLAND'S DEVELOPMENT

HK280818 Haikou Hainan Island Service in Mandarin 0330 GMT 28 Feb 84

[Text] According to a YANGCHENG WANBAO report, on 23 February at the invitation of the Hong Kong branch of the XINHUA NEWS AGENCY Lei Yu, director of the Hainan Administration Office, and his delegation of four people went to Hong Kong to brief industrial, commercial, and press circles on Hainan's development and construction, in order to enable the outside world to have a better understanding of Hainan Island and to strengthen its economic cooperation and trade with foreign countries in the overall development of the treasure island. On the 23d, Lei Yu was present at the meeting held at the Marco Polo Club run by Mr Percy Chan. At the meeting, he made a speech.

On the 24th and 25th, Lei Yu delivered a speech and made a report to foreign reporters and Hainan compatriots residing in Hong Kong, respectively. Many of the same people were present on both occasions and the response was warm. They generally think that Hainan is endowed with rich yet distinctive natural resources and that it has great potential for development. A Hainan compatriot who resides in Hong Kong said: Lei Yu's speech was informative, the figures were convincing, I feel encouraged by them, and I am thinking about doing something I am capable of for my hometown.

Mr (Huang Chien), president of the Hong Kong Hainan Commercial Association, said: In the past, my hometown was a backward area. People paid no attention when it was mentioned. Today, I am proud to be a Hainan compatriot. In the future, I will make more contributions to the construction of my hometown.

Many people from the industrial and commercial circles had asked to hold business talks with Lei Yu. Lei Yu will deliver speeches at the Hong Kong Chinese General Chamber of Commerce and the Hong Kong General Chamber of Commerce.

FRENCH BUSINESSMEN VISIT, DISCUSS TECHNOLOGY TRANSFER

Meeting With Vice Premier

OW282026 Beijing XINHUA in English 1455 GMT 28 Feb 84

[Text] Beijing, February 28 (XINHUA) -- Chinese Vice-Premier Li Peng this afternoon met J.P. Desgeorges, president and general director of Alsthom Atlantique, and his party.

They discussed the transfer of the French technology of conventional island equipment for nuclear power stations in China and its coproduction, and technical cooperation on railway construction. Also present were Zhou Jiannan, minister of machine-building industry, Chen Puru, minister of railways, and French Ambassador to China Charles Malo.

Meet Industry Adviser

OW280946 Beijing XINHUA in English 0858 GMT 28 Feb 84

[Text] Beijing, February 28 (XINHUA) -- Wang Ziyi, adviser to the Ministry of the Machine-Building Industry, held talks here this morning with J.P. Desgeorges, president and general director of Alsthom Atlantique. They discussed the transfer of the French technology of 900,000 kw conventional island equipment for nuclear power stations to China and its coproduction. In recent years the Chinese ministry has imported from Alsthom Atlantique technology for the manufacture of large transformers and vacuum circuit breakers.

During the talks both expressed satisfaction with the technical cooperation between their countries in the past few years, agreeing that the fundamental guarantee of technical transfer and coproduction was friendship and trust. Wang Ziyi said that China would send a delegation to France to study conventional island equipment this year. Desgeorges said that it was very welcome to do so.

Desgeorges and his party arrived here yesterday at the invitation of the ministry. During their stay in Beijing they will exchange views on strengthening cooperation in nuclear power station construction with leading members of the State Planning and Economic Commissions, the Ministries of the Machine-Building Industry, of Water Resources and Electric Power, and of Railways. In Shanghai they will visit a steam turbine plant and an electrical machinery plant and meet with Mayor Wang Daohan.

HUANG HUA MEETS UK SOCIAL DEMOCRATIC PARTY CHAIRMAN

OW281345 Beijing XINHUA in English 1322 GMT 28 Feb 84

[Text] Beijing, February 28 (XINHUA) -- Huang Hua, vice-chairman of the Standing Committee of the National People's Congress, met and had a friendly talk with Mrs Shirley Williams, chairman of the British Social Democratic Party and former secretary of state for education and science, here this afternoon.

Mrs Williams arrived here yesterday as a guest of the Chinese People's Institute of Foreign Affairs. During her stay in Beijing, she met with Han Nianlong, president of the Chinese institute, He Dongchang, minister of education and Assistant Foreign Minister Zhou Nan. She will leave here for a tour of Shanghai, Xian and Guangzhou.

CONGOLESE FOREIGN MINISTER LAUDS DIPLOMATIC TIES

OW240855 Beijing XINHUA in English 0643 GMT 24 Feb 84

[Text] Brazzaville, February 23 (XINHUA) -- Foreign Minister of Congo Pierre Nze said that the 20 years of the establishment of diplomatic relations between China and Congo have been replete with close friendship and fruitful cooperation.

Speaking on television here yesterday evening on the occasion of the 20th anniversary of the establishment of diplomatic ties between the two countries, the foreign minister pointed out that China and Congo have strictly adhered to the international norm of peaceful coexistence. Friendship between them has developed in an atmosphere of mutual respect which is conducive to the consolidation of Congo's independence. He said that China's aid to Congo is disinterested and very helpful to the Congolese people.

PRC, CONGO SIGN COOPERATION COMMITTEE AGREEMENT

OW281201 Beijing XINHUA in English 1137 GMT 28 Feb 84

[Text] Beijing, February 28 (XINHUA) -- An agreement on the establishment of a joint committee for economic, trade and technical cooperation between the governments of China and the Congo was signed here this afternoon.

Tasks of the committee are to promote and develop cooperation between the two countries in fields of common interest, supervise the implementation of the commitments undertaken by the two sides and settle all disputes which may appear in the process of implementing signed agreements of cooperation.

Lu Xuejian, vice-minister of foreign economic relations and trade, and visiting Aime Emmanuel Yoka, minister delegate of the president in charge of cooperation affairs of the Congo, signed the agreement on behalf of their respective governments. Yoka and his party have wound up their visit to China and will leave here for home this evening.

CONTINUED REPORTAGE ON BURUNDI DELEGATION'S VISIT

Arrives in Anhui

OW281044 Hefei Anhui Provincial Service in Mandarin 1100 GMT 27 Feb 84

[Text] Accompanied by Liu Danian, NPC Standing Committee member, the delegation from the Burundi National Assembly and the Party of Unity and National Progress of Burundi, led by Emile Mworoha, president of the Burundi National Assembly and secretary general of the Party of Unity and National Progress of Burundi, arrived in Hefei via special plane this morning to pay a friendly visit. The distinguished guests from Burundi are visiting China at the invitation of the NPC Standing Committee.

When the distinguished guests from Burundi arrived at (Lutang) Airport, Vice Chairman Zheng Huaizhou and Member (Hu Xiangnong) of the Standing Committee of the provincial People's Congress; (Yang Zuoliang), deputy director of the provincial Office for Foreign Affairs; and (Feng Xiren), vice chairman of the Standing Committee of the Hefei City People's Congress, warmly greeted them and shook hands. Two members of the Young Pioneers offered flower bouquets to the guests. Yang Weiping, chairman of the Standing Committee of the provincial People's Congress, greeted the distinguished guests at the (Daoxialao) Guest House.

Leaves for Hefei

OW280933 Beijing Domestic Service in Mandarin 1200 GMT 27 Feb 84

[Text] A delegation from the Burundi National Assembly and the Party of Unity and National Progress of Burundi, headed by Emile Mworoha, president of the Burundi National Assembly, left by a special plane this morning for a visit to Hefei.

The Anhui Provincial People's Congress Standing Committee gave a banquet this evening in honor of the distinguished Burundian guests.

Visits Hefei City

OW281337 Beijing XINHUA in English 1324 GMT 28 Feb 84

[Text] Hefei, February 28 (XINHUA) -- A delegation from the Burundi National Assembly and Party of Unity and National Progress led by Emile Mworoha, assembly president and party general secretary, continued their visit to Hefei, capital of Anhui Province today. During their 2-day stay the delegation toured the Anhui general factory of printing and dyeing, which had earlier provided equipment and technicians for a textile mill in Burundi.

The guests also visited the Evergreen People's Commune southwest of the city, an arts and crafts factory and a tractor plant. The delegation was accompanied by Liu Danian, a noted historian who is a member of the Standing Committee of the National People's Congress.

PRC CONSTRUCTION CORPORATION ACTIVE IN IRAQ

OW271134 Beijing Domestic Service in Mandarin 1000 GMT 25 Feb 84

[Text] The Iraqi Business Office of the China Construction Engineering Corporation has actively developed its contracted construction work and cooperative labor projects by conscientiously abiding by the contract terms, ensuring quality work, earning less profit, and emphasizing credibility. This has incessantly raised the corporation's prestige and has continually expanded the scope and increased the amount of its business.

In the past 3 years or so, this office has obtained 84 contracts for labor service and construction work involving more than \$316 million. A recent contract for the construction of the (?Jifinor) irrigation project is for \$170 million, one of the biggest contracts this corporation has signed in recent years for construction work in foreign countries.

The contracts undertaken by the Iraqi Business Office of the China Construction Engineering Corporation for labor service and construction work cover a large number of projects in a variety of areas. They include electric power plants, banks, oil docks, petroleum refineries, and irrigation projects. The quality of construction meets the design requirements of the units building the projects. Some project-building units and foreign construction companies have praised the Chinese workers for their organization and discipline, effective labor management, and fine work quality.

COMMENTATOR SUPPORTS CIVILITY, COURTESY MONTH

HK281430 Beijing RENMIN RIBAO in Chinese 26 Feb 84 p 1

[Commentator's article: "It Is Necessary To Have a 'Tenacious' Spirit -- Greeting the 1984 All-People Civility and Courtesy Month"]

[Text] When "spring has come, reeds have sprouted on islets in the river, and poplar flowers are flying along the river banks," and the third All-People Civility and Courtesy Month is drawing nearer and nearer!

The All-People Civility and Courtesy Month is a creation of the Chinese people of all nationalities in building socialist spiritual civilization as well as an effective measure to promote "five stresses, four beauties, and three loves." The seeds we sowed in the civility and courtesy months of the past 2 years have sprouted and are growing sturdily under the best of care by all China's people. Some activities adopted and proven effective in the past 2 years have played a positive role in eliminating "dirt, disorder, and poor service," in establishing and developing the new socialist relations between people, and in fostering fine social moods, and have thus helped the mass drive of "five stress, four beauties, and three loves" to develop in depth. These activities include "three goods and one learning" (namely, good service, good order, good environment, and learning from Lei Feng and progressives), the "neighborhood three-contracting system" (the responsibility system for sanitation, order maintenance, and tree planting), the "young pioneer sanitary street," the "in-your-service" activity the activity of "doing people a good turn and showing concern for them," the drive of "building a civilization 'display window,'" the activity of "building the civilized village with the concerted effort of the Army and the people," and so on. A great number of good people and good deeds emerging in the civility and courtesy months reflect the people's mental attitude and warm their hearts like a spring breeze.

The changes brought about by the civility and courtesy month have fully shown its far-reaching significance. The activity of civility and courtesy month must be carried on and developed. And this year's civility and courtesy month must be further carried out in a down-to-earth manner and must reap greater and better results on the basis of the achievements made in the past 2 years.

In his broadcast and television speech delivered yesterday, President Li Xiannian elaborated on the significance of the civility and courtesy month activity, pointing out that this year, it is necessary to "establish civilized units and continue to make comprehensive efforts to get rid of 'dirt, disorder, and poor service,' so that the movement to encourage high-quality services, establish good order, and create a fine environment" will be more extensive and deep-going and will enhance the drive to a new level. Concentrating our attention on the grassroots level and vigorously building civilized units in town and country is an important theme of this year's civility and courtesy month and also the basic form and basic content of the activities of "five stresses, four beauties, and three loves" in the future. All rural areas, plants, PLA units, organizations, schools, shops, and so on must be turned into civilized units step by step. When more and more civilized units like these are built up and spread to all areas, there will inevitably be a remarkable change in the society as a whole.

The building of civilized units involves everyone from leading people at different levels to the broad masses of people. Everybody has to share the responsibility and strive to turn their units into civilized units. Different units can emulate and supervise each other, giving full play to their initiative and making progress in the emulation. When a year's targets are fulfilled, they can put forth new targets for the next year. Thus, it will be possible for them to retain the vitality of the drive and keep it developing year after year.

The CPC Central Committee and the State Council have made definite demands on this year's civility and courtesy month activities. Various favorable conditions to the improvement of the drive are now available. Since our cadres at all levels and the broad masses of people have shown more enthusiastic support for the drive, they have obtained in the last 2 years experience in organizing the drive, and a large number of typical progressive units and individuals have emerged. Of course, we must be clearly aware that it is always difficult to remove the many uncivilized things that need to be eliminated. Uncivilized practices that have been vigorously checked would prevail again if we slackened in our effort. For example, as efforts were made to curb spitting in the past civility and courtesy months, the situation improved for a while. However, after the civility and courtesy months, one can find people spitting again in the street. The case of elimination of "dirt, disorder and poor service" was similar. In order to foster good social moods, we must persevere with our effort, uphold a 'tenacious' spirit, and remind the broad masses of their own duty. We must unrelentingly improve our work in promoting various activities in the civility and courtesy month, avoid paying lip service, get rid of formalism, absolutely ban all practices that may waste money and manpower, try our best to make all the activities more thoughtful and educational, and carry out the drive in a down-to-earth manner. After the civility and courtesy month, we must further consolidate and expand the achievements made. As long as we can do several good things every year and promote the drive more extensively, in a thorough and more effective way year after year, we will surely be able to take a big step forward in the building of socialist spiritual civilization.

JIEFANGJUN BAO ON CIVILITY, COURTESY MONTH

OW281230 Beijing Domestic Service in Mandarin 0200 GMT 27 Feb 84

["Excerpts" of JIEFANGJUN BAO commentator's article: "Do a Solid and Lively Job" -- date not given]

[Text] The article says: The third All-People Civility and Courtesy Month activities began yesterday with 1.5 million army men and people in Beijing taking to the streets to build and beautify the city.

Because this is the second year since the CPC Central Committee issued its call for bringing about a fundamental turn for the better in improving the social atmosphere and the first year for the all-round party rectification campaign, we must conduct civility and courtesy month activities even more properly. The 12th party national congress pointed out that the Army must not only be a great wall of steel guarding the socialist motherland but also an important force in building its socialist material and spiritual civilizations.

Party committees at various levels and the broad masses of commanders and fighters must continue their good work, move forward, and make still greater efforts to further improve building their spiritual civilization, actively promote Army-people activities in building spiritual civilization, and draw fresh spiritual nourishment from the people. It is necessary to pay attention to practical results in building spiritual civilization. We must fully mobilize the masses to plunge into the lively campaign and avoid relying on a handful of people working in quiet isolation. We must also do a solid job step by step in the light of the special characteristics of each unit or individual, and must consolidate and perpetuate the practical results. We must firmly criticize and forgo the superficial and formalistic way of doing things, as in the past. Experience in the past few years shows that only by doing practical work can we earn the people's appreciation.

Because we have launched activities on building spiritual civilization jointly by the Army and the people for 2 years, we must now pay attention to consolidating, popularizing, and improving the work. Units that have already launched such activities must seriously sum up their experience and focus attention on consolidating and improving their work. Units that have not yet launched such activities must raise their understanding of the importance of these activities and promptly start the work in their respective localities. In promoting public welfare for the masses in the localities, it is essential that we exert our utmost efforts in carrying out the tasks until completed.

The article concludes: In the light of the actual conditions of the respective units, we must study and decide on the sort of activities to be launched during civility and courtesy month. However, regardless of the kind of activities launched, all units must emphasize ideological education. By combining the military units' ideological consciousness with learning from the model examples of the advanced units and individuals such as Lei Feng, Zhu Boru, Zhang Haidi, the heroic collective that diverted water from the Luan River to Tianjin, and the heroic collective that rescued stranded people on Hua Shan we must translate the "five kinds of spirits" expounded by Comrade Deng Xiaoping into actual deeds by every comrade. We must also integrate the units' revolutionization, modernization, and regularization and make efforts to master modern science culture, and knowledge; strengthen organizational discipline; improve military and political quality; create a new situation in building the Army; and make fresh contributions toward conducting third All-People Civility and Courtesy Month activities.

COMMENTATOR ON INVIGORATING RURAL ECONOMY

HK281254 Beijing RENMIN RIBAO in Chinese 26 Feb 84 p 2

[Commentator's article: "Depend on the Peasants to Invigorate Circulation"]

[Text] Last year, by relying on the peasants who transported and sold goods to distant places either by carrying the goods with shoulder poles, in their hands, or in carts, Yulin Prefecture enlivened the market and accelerated the development of commodity production. This fact shows that in reforming the rural commercial system, to implement the principle of letting the state, the collective, and the individual fight side by side and to fully arouse the peasants' enthusiasm for the transportation and sale of goods are effective ways to enliven circulation and to mitigate the peasants' difficulties in buying and selling goods.

Since the CPC Central Committee Document No 1 was issued last year, permitting the peasants to buy vehicles, tractors, and other means of transport for the purpose of transporting and selling goods to distant places, notable progress has been made in various parts of the country. An increasing number of people have been engaged in the transportation and sale of goods, the varieties of the goods transported and sold have steadily increased, and the volume of transactions of transported goods in the cities and market towns has doubled. According to the statistics prepared by the departments concerned, at present, over 80 percent of the agricultural and sideline products on sale in large cities, over 70 percent of those in medium-sized cities, and over 50 percent of those in small cities are brought and transported from the rural areas. The situation is extremely encouraging. However, as far as the whole country is concerned, the development of the peasants' transportation and sale of commodities is far from balanced. Many parts of the country have not yet made a start or have just started. In many parts of the country, the peasants' transportation and sale of goods have the following three characteristics: 1) Many people transport and sell the third category of agricultural and sideline products and fresh and raw commodities, but few people transport and sell the first and second categories of agricultural and sideline products and miscellaneous industrial commodities.

2) There are more people who run their business by themselves than those who run their business with partners. 3) There are more people who carry their goods in their hands, with shoulder poles, or on bicycles than those who transport their goods in trucks or boats. This shows that the peasants' transportation and sale of goods has not been fully enlivened.

The above phenomena are brought about by both historical factors and actual circumstances. Since long ago, the transportation and sale of goods has been considered to be synonymous with speculation and profiteering and hence an improper activity. During the 10 years of turmoil, it was even a target of attack. Thus, in some parts of the country, this activity has not been given due recognition. We must thoroughly smash these biases and out-moded traditional ideas. It is necessary to make the masses and the cadres acquire the idea that transportation and sale of goods also constitutes a kind of labor and that to become rich this way is also a way to become rich by working hard. This is in order to let the legal transportation and sale of goods share the same glorious status with other kinds of production and labor.

At present, there is the serious problem of the overstocking of agricultural and sideline products in various parts of the country. The state-run and collective commercial enterprises are unable to meet the requirements imposed by the development of commodity production in the rural areas in regard to manpower, funds, transportation, storage, and other practical problems. Under such circumstances, why do we not let the peasants play a more important part in circulation? If we let them assume responsibility for transporting the goods the state-run and collective commercial enterprises are incapable of transporting, is this not beneficial to both the country and the people? We should see that we have two choices at present: Either we let great quantities of agricultural and sideline products remain unsold and become rotten and thus waste the fruits of the peasants' arduous labor, or we let the peasants develop the transportation and sale of goods and help the state-run and collective commercial enterprises transport and sell the overstocked agricultural and sideline products to other places and encourage the peasants to further develop commodity production. Without a doubt, we should choose the latter.

The facts in Yulin Prefecture and many other places show us that in mobilizing and organizing the peasants to go in for the transportation and sale of goods, first, we must not ask the state for investment; second, we should not let the collective spend money; and third, we can solve many of the peasants' difficulties in buying and selling goods and reduce the pressure brought on the state-run and collective commercial enterprises. From a long-term point of view, by permitting the coexistence of various economic factors and various ways of doing business in the sphere of circulation, we can encourage competition and facilitate the reform of the state-run and collective commercial enterprises. The structural reform of the state-run and collective commercial enterprises has not been thoroughly carried out; theirs is incomparable to the transportation and sale of goods organized by the peasants with the advantages of ready accessibility to the market and the industries, flexibility, and convenience for the masses. This is the reason why transportation and sale of goods organized by individuals have become so popular among the masses. Also, it is the reason for the exuberant vitality of transportation and sale of goods.

Naturally, problems will arise after the peasants have gained entrance into the sphere of circulation. For example, some individuals may mix good commodities with bad, sell counterfeit commodities, sell poor quality goods as if they were fine quality goods, cheat the consumers, rashly and illegally buy up goods, and make a profit by reselling the goods they have brought from others. This is inevitable. There are always people who distort and ruin the correct principles and policies. We should not be surprised.

What is important is that in addition to giving the peasants a free hand in transporting and selling goods, we should enthusiastically strengthen management by economic, administrative, and even legal means in order to let the law-abiding people make a proper profit and to accordingly crack down on those who violate law and discipline. In this way, the interests of the producers and the consumers can be protected. We have successively formulated some policies and regulations concerning the peasants' transportation and sale of goods. We should earnestly implement them in order to bring about a healthy development of the transportation and sale of goods organized by the peasants.

ARTICLE DISCUSSES ENTERPRISE OPERATIONAL PLANNING

HK280953 Beijing RENMIN RIBAO in Chinese 20 Feb 84 p 5

[Article by Luo Shifan: "Pay Serious Attention to Operational Planning of Industrial Enterprises"]

[Text] In recent years, following the intensive development in the reforms in our country's economic system, an increasing number of industrial enterprises have shifted from the "production type" to the "operational type." This is a natural historical change under the new condition of enforcing the planned economy as the major factor and regulation by market mechanism as the supplementary factor. Following the appearance of the operational enterprises, a universal problem which must be solved is how to improve the enterprises' planned management and how to improve, in an all-round manner, their operation and management level. This article will present certain views concerning the operational planning of industrial enterprises.

Importance of Formulating an Operational Plan for an Enterprise

The operational plan of an enterprise is also called an "operational substance or entity" plan. After the shifting of an industrial enterprise from a "production type" to an "operational type," an extremely outstanding change is that the enterprise has changed from being purely a production unit to being a relatively independent operational entity. As a relatively independent operational entity, an enterprise must follow, to a great extent, its operation targets in all its production and operation activities. In an ever changing environment, the determination and realization of the operation target of an enterprise concerns its very existence and development. First of all, it must make a scientific forecast and analysis of problems in the trend of changes in market demand, market competition, and market supply confronting the enterprise. Following this, and on that basis, it will make overall policy decisions, plans and arrangements for its coming target and actions. This series of activities constitute what we have described as the procedure for the formulation of an enterprise's operational plan. Obviously, formulating an enterprise's operational plan scientifically is exceedingly important to the determination and realization of the operation targets of an enterprise.

What should be pointed out is that under our socialist conditions, formulation of an enterprise's operational plan has differences in principle from the formulation of the operational plan for a capitalist enterprise. The operational plan of a capitalist enterprise is an entirely independent plan of self-interest; whereas a socialist enterprise, built on the basis of the system of public ownership of the means of production, is only a relatively independent operational entity and, while its operational plan possesses a relatively independent nature, it cannot be separated from the unified or comprehensive nature of the state plan but must abide by the unified guidance and direction of the state plan.

It is true that following an enterprise's shift to the "operational type," the former system, of the state plan taking charge of everything through planned management, is no longer suitable but the determination of the enterprise's operation target cannot violate the composite target of social development or the basic interests. The target must still follow the unified arrangements of the state plan and in general must take as its basis the major planned target assigned by the state to the enterprise. In this way, the operational plan formulated around the operation target of an enterprise naturally possesses an indivisible relationship with the unified state plan. On the one hand, the operational plan of an enterprise reflects the unified demands of the state plan and shows its unanimity with it; on the other hand, it reflects market demands and changes and demonstrates its adaptability to the market environment. Hence, the operational plan formulated by the enterprise becomes a cord which ties together the state plan and market demand. It represents the direction of reform of the planned structure of our country's industrial enterprises, being also an important basis for the all-round improvement of the operation and management level of the enterprise.

Content and Special Features of an Enterprise's Operational Plan

The formulation and enforcement of an enterprise's operational plan constitute a kind of operation and management activity with contents that are far-reaching and at the same time complex. They are related to the three aspects of an enterprise: operational target, internal quality, and exterior environment. Moreover, the contents of these three aspects restrict each other and their functions are connected with each other. If the contents of any one of these aspects are lacking or disregarded, then it will be impossible to formulate a scientific and integrated operational plan for the enterprise.

The contents of an enterprise's operational plan may also be divided into three parts in accordance with its planning system. First is the target plan system. The operation target of an enterprise is not merely an abstract conception but needs to be concretely reflected in the operational plan of an enterprise through the formulation of a series of target plans. Among them the principal ones are the profit-earning plan of the enterprise, the plan for tax and profit remittance to the state, the production efficiency improvement plan, the target production cost plan, the plan for increases in the staff's income and welfare amenities, the plan for the variety and volume of products as specified in the state plan, and so on. Second is the composition plan system. It is a plan formulated on the basis of the existing condition of resources of the enterprise for the purpose of organizing and preparing an operation structure suited to changes in market demand. In the operation structure of an enterprise, of most importance is the formation of the product structure and the structures related to it, such as technology structure, capital structure, and personnel structure. For this reason, an enterprise should concretely formulate a series of plans for improvement of the operation structure, such as a product development plan, an equipment renovation and investment plan, an enterprise rebuilding plan, a new technology development plan, a resources comprehensive utilization plan, a capital raising plan, a staff members and workers employment and training plan, and so on. Third is the market plan system. It comprises a series of market operation plans formulated by the enterprise for the purpose of carrying out targeted activities on the market. Among them, the principal ones include the materials and technology acquisition plan, the products marketing and servicing plan, the new products advertising and propaganda plan, the market development plan, the export trade plan for certain products, and so on.

From an analysis of the contents mentioned above, it can be seen that a perfect and fully equipped operational plan for an enterprise reflects the planned nature of the production and operation activities of an enterprise and links together, in a planned manner, the enterprise's operation target, internal quality, and exterior environment. When compared with the production, technical, and financial plan formerly made by enterprises, it is noticeably different in the following aspects:

1. An enterprise's operational plan is a plan centered on economic effects. It is different from the production, technical, and financial plan of an enterprise, which has the sole purpose of increasing the output volume and output value but neglects the economic effects. It demands putting in the first place in the enterprise's operation the fulfillment of the demands of society and of the market and demands the fullest and most rational use of the enterprise's resources and labor time to seek the best economic effects.

2. An enterprise's operational plan is a plan of a strategic nature. It looks at future changes, and demands strategic analysis and policymaking concerning the enterprise's operational activities and arrangements. It must take a long-term view and should not have regard only for benefits of the moment, or be based merely on addition to or deduction from previously fulfilled plans.

3. An enterprise's operational plan is a plan which is based on creating something new. It is not for the sake of enabling the enterprise merely to repeat its original production and business activities but is meant to search for new ideas and new opportunities for the enterprise's development. It calls for putting in a leading position the planned adoption of new technology and the ushering in of new products, thus ensuring the enterprise's ability to cope continuously with new changes in market demand.

4. An enterprise's operational plan envisages a kind of all-round planned management. Compared with the enterprise's production, technical, and financial plan, it is not only much wider in scope of operation and management but also demands the whole process of planned management and supervision of the production and operation activities of an enterprise, and demands the participation in the operation and management activities of each and every member of the personnel, from the leadership down to the staff members and workers.

Basic Conditions for Carrying Out the Operational Plan of an Enterprise

To carry out well the operational plan of an enterprise, besides enforcing the unified plan of the state and its policies, it is necessary, for the enterprise itself, to start from reality, to strive to improve the quality of the enterprise, and to create the various kinds of necessary conditions. Of them, the following are the most basic ones:

1. We must establish a correct ideology governing the operation of the enterprise. Whether or not an enterprise has a correct operation ideology is greatly concerned in the success or failure of the enterprise's operational plan. In certain of our enterprises, the leadership has given little thought to cultivating an operational ideology. They not only fail to establish the viewpoint of "customers first" but also lack the idea of "continuously creating something new" and are accustomed to copying what other people have at the moment. The enterprise has no definite objective and lacks its own special features and superior points in operation. Establishing an enterprise's correct operation ideology demands that the leadership of the enterprise must be of relatively high quality. They not only should have the insight and the brains for tactics in business operations but must be skilled in combining scientific method with the art of leadership. Only by being continuously suited to the new situation and advocating new operational thinking for the enterprise can an enterprise have a correct operation strategy and operation target and successfully formulate an operational plan for the enterprise and also have it enforced.

2. We must firmly grasp the operational plan for products. For an enterprise which has vitality, the key lies in continuously bringing forth new products suited to market needs,

Hence, in formulating the operational plan for an enterprise, it is necessary to take the operational plan for the products as the nucleus, to promote the renovation and replacement of the products of the enterprise, to continuously bring forth new products and new techniques, and to rationally determine the production composition of the enterprise. In general, an enterprise, simultaneously with grasping well the major products for the current period or "generation," should study and develop the major products for the next period or "generation," and think about and develop new products for the third period. Only by tightly grasping the operational plan for products can an enterprise continuously improve its competitiveness, adaptability, and ability to meet contingencies and remain in an invincible position in the fast-changing domestic and external markets.

3. We must perform well the task of market investigation and forecasting. To be able to do so is the foundation work for formulating an enterprise's operational plan. Only through doing market investigation and forecasting, gaining a knowledge of current market demands, grasping future market changes, and, on that basis, performing a good job of studying the feasibility of various plans and programs can the operational plan of an enterprise possess a scientific basis. Unfortunately, certain of our enterprises do not regard this kind of work highly. Some enterprises, seeing that certain products have a flourishing market for a time, will plunge headlong into their production, but, in some cases, as soon as they turned to such production, sales of the products have become stagnant, thus resulting in great losses to the enterprises concerned. In the end, this type of enterprise will naturally be eliminated. In particular, modern science and technology are advancing rapidly, bringing about frequent changes in market news and making market competition increasingly fierce. If an enterprise does not highly regard market intelligence and work on collecting news of technology and devote efforts first of all to performing well the job of market investigation and forecasting, so-called formulation of the operational plan will just be empty talk.

4. We must have high regard for the nurturing and training of an enterprise's management personnel. In formulating the operational plan of an enterprise, mere reliance on experience is not sufficient. It is still necessary to have a firm grasp of knowledge of modern management, learning to make use of various scientific methods and technical tactics, and only in this way can we successfully undertake the work of forecasting, decisionmaking, and the various kinds of quantitative analytical work required in planning. Hence, at the various levels of leadership structures responsible for the operations of an enterprise, we must train and insert a large number of personnel specializing in technical management. At the same time, we must firmly grasp the technical training of each and every staff member and worker and speed up the renovation of their knowledge to gradually build up for the enterprise a group of personnel well versed in modern knowledge and in management. Only in this way is it possible to make the operational plan of an enterprise become the object of concerted action on the part of the entire staff and enable the plan to have a firm foundation.

In a word, as far as our industrial enterprises are concerned, enforcement of operational planned management is a natural tendency. We must seriously study the new conditions and new special features following the shifting of an enterprise to the operational type, strive to perform well the operational planning of the enterprise, and raise the operation and management level of our industrial enterprises to a new historical stage.

ARTICLE PROPOSES CATCHING UP IN TECHNOLOGY

HK280915 Beijing JINGJI RIBAO in Chinese 18 Feb 84 pp 1, 3

[Article by Huan Xiang: "Try Hard to Catch Up Rather Than Trailing Behind"]

[Text]

I

The end of this century is only 17 years away. In these 17 years, the overwhelming task of the party and state is to enable some major industrial departments and the entire industrial and product structure and technological level to catch up with, or get near to the advanced world level, and to enable the average national income to reach the level of middle developed countries. To realize this great task, let us first take a look at the world economic situation.

The economy of the capitalist world began to recover in the second quarter of 1983. In summer 1983, the economic situation in the Soviet Union and Eastern Europe began to change for the better. Relevant materials reveal that the economic recovery in the West is not stable or in balance, and cannot continue for long. In the coming decade or more, the economy of the West will be in a state of slow development, with long depression, and serious and frequent unemployment. Some short, small-scale economic upsurges can be expected, but a golden era like the 1960's will not appear again. If the Soviet Union's economic reform can be carried out successfully, its economy will grow a little faster. But in any case, its economy will not develop as fast as in the past.

In the coming decade or more, the trend of running the world economy on a group or regional basis will become more obvious. Protectionism will be strengthened and international competition will be aggravated.

In the coming decade or more, new scientific and technological development, and the development of electronic computer technology in particular, will enable social productive forces to make a breakthrough. Now many countries in the world are developing new industrial branches and reforming the industrial and product mix. The United States is energetically developing the "rising sun industry" and is paying close attention to introducing the use of electronic computer facilities in various enterprises and trades. Under the slogan "technology is the foundation of a nation," Japan has worked out a plan to reconstruct the country's industry by relying on electronic computer technology. Western Europe will also do its best to develop electronic computer technology to bring forward the reform of traditional industry and the establishment of the "rising sun industry." Several years ago, the Soviet Union criticized or even negated the theory of information and the theory of control, maintaining that these theories were opposed to Marxism. Recently, it has changed its attitude and paid attention to the above theories. In addition, it also attaches great importance to the development and use of electronic computers. We believe that in 10 years' time or more, or at the beginning of the next century, the extensive use of electronic computers will greatly change the features of the industrial structure, product structure, and social structure of all advanced industrialized countries.

Some newly-emerging industrialized countries, such as Brazil and Argentina in South America, and India, some Arabian countries, ASEAN countries, South Korea, and even China's Taiwan Province in the East understand very well that if they do not change the present industrial structure, they will lag behind and will not be able to bring into play the role of their export economy. Therefore, they are trying to reform their industrial structure and are beginning to pay attention to the development and use of electronic computer technology. All these trends merit close attention. But what revelations have these trends brought to us?

1. In the coming decade or more, that is, before the end of this century, the world economic situation will not undergo a fundamental change which is greatly different from the present situation. Whether the world economy will experience a crisis or will undergo a recovery or even a small-scale upsurge may be advantageous or disadvantageous to our four modernizations drive. We must pay close attention to the above development, make the best use of favorable conditions and avoid unfavorable conditions so as to serve the four modernizations drive.
2. The inevitable development of protectionism should not be regarded just as harmful but also as a challenge and stimulation to our economy. It will stimulate us to try by every possible means to improve the quality of products, to increase the variety of products, and to strengthen our market competitiveness. The trend of running the world economy on a group or regional basis is not so bad either, for this will provide us with more opportunities for carrying out export and import trade. If business cannot be done in one region or group, we can go to other regions and groups. "Things depend on human effort." The difficulties brought about by the above trend are not insurmountable.
3. From another angle, we can also foresee that at the beginning of the 21st century, world industry and economy will undergo a great change, and a new technical revolution will possibly lead to a new industrial revolution. While advanced industrialized countries have something in hand to control developing countries, we have been told by the representatives of Western developed countries, and by the representatives of the superpowers in particular, that "a country which has the most advanced technology will be the overlord of the world in the 21st century." We have also seen many examples of advanced countries trying to strangle developing countries, including China, by means of "transferring technology." Therefore, we must do our best to possess advanced technology. Otherwise, China will always lag behind and will not be able to raise its head.
4. Our neighboring countries are reforming their industrial structure and popularizing the use of intensive knowledge and intensive technology. Of course, it will be very difficult for them to materialize their plans, as there are many domestic and foreign obstacles. However, we must not lower our guard or sit idle. If we do not carry out reform and do not make up our minds to catch up with advanced countries, we will become the most backward country in Asia, and history will condemn us. As time is pressing and we are being confronted with a serious international situation, we must be resolute in catching up with advanced countries.

II

How can we catch up with the most advanced industrialized countries? There are two methods.

The first method is to develop basic industry and traditional industry, and on this basis, to develop the knowledge-intensive and technology-intensive industries.

The second method is to energetically develop the knowledge-intensive and technology-intensive industries now to start catching up with advanced world level, overcoming whatever difficulties may arise.

I am in favor of the second method. If we take the industrial and technological level of the Western countries between the late 1970's and the early 1980's as our target to be reached by the end of this century, then, the industrial and technological level of the Western countries will have developed to a further stage between the late 1990's and the beginning of the 21st century, and our country will still be lagging behind for 15 to 20 years, even though we have reached the mentioned target.

If we continue chasing this way, we will always be 10 to 15 years away from the most advanced. Some people have called this kind of chasing "equidistant chasing," which will lead us nowhere. Equidistant chasing will make us trail behind the advanced world level forever, and we will not be able to discard the label of backwardness. Our determination should be: Try hard to catch up rather than to trail behind. Only by trying hard to catch up, can we realize the target of the party and state, which is to join the advanced countries of the world at the beginning of the 21st century.

Is trying hard to catch up realistic? I maintain that it is. We have the correct leadership of a wise and mature party, a political situation of stability and unity, policies for enlivening the domestic economy, open-door policies to foreign countries, and a sound industrial basis. Our scientific and technological level is backward compared with that of advanced countries, but in some departments, we also have scientific and technological items which are up to the advanced world standard. The problem is how we should organize our strength and work out plans to fulfill our tasks.

Here, let us look at the experience of foreign countries in developing the electronic computer industry.

The United States began to develop electronic computer technology in the late 1950's, and achieved great development in the 1970's. But the development of electronic computer technology in materials and production departments was far slower than that in defense industries, consumption departments, and management departments. Needless to say, the development of electronic computer technology in defense industries is very fast. In consumption departments, game computers have developed rapidly. Electronic computer management in banks, offices, and factories is quite popular. But electronic computer technology is not popularly used in materials and production departments, and Japan is more advanced in this respect. The proof is that Japan has 40,000 to 50,000 robots doing practical work in the production departments of factories but the United States has less than 10,000 robots. The purpose of using electronic computer technology in management and consumption departments is to make money, and the purpose of using electronic computer technology in defense industries is to seek hegemony.

Japan is superior to the United States in using electronic computer technology in materials and production departments. But it only pays attention to exporting electronic computer technology to the neglect of the study of the basic theory of this technology.

Western Europe began to develop electronic computer technology in the early 1960's, but it did not make a large investment in it. Britain possessed electronic computer technology earlier than other European countries, but only after the mid-1970's did it conscientiously develop electronic computer technology in Scotland. West Germany has always attached great importance to the production of traditional products and to maintaining market competitiveness by improving the quality of products, producing new products at low prices, and providing good service. But it lacks a strategic viewpoint in developing electronic computer technology. France was late in developing electronic computer technology, and it did not pay enough attention. Other Western European countries are even worse. Now Western Europe is beginning to feel these shortcomings and is striving for united action to catch up.

In the beginning, the Soviet Union did not think of developing electronic computer technology, but it has changed its mind. It is lagging behind the United States and Japan and is trying by every possible means to import technology from these two countries.

Newly-emerging industrialized countries were not late in building the electronic computer industry, but this industry is basically the subsidiary of the foreign electronic computer industry. They have a cheap labor force, therefore transnational corporations are willing to build factories in these countries. Their development work is based on exporting products to the international market. Therefore, the foundation of their electronic computer technology is not stable. This is not worth emulating.

After reviewing the situation in the above countries, we can draw the following conclusions:

It is a little late for us to develop newly-emerging industry, but after all, it is not too late.

We must lose no time and must be resolute in developing this industry.

We must firmly develop this industry by having a correct orientation in mind.

We must not merely lay emphasis on "exporting" this technology, but must introduce high-grade, precision, and advanced technology to materials and production departments. We must formulate a development strategy and plan which are centered on electronic computer technology, new materials, and new energy.

As the development of high-grade, precision, and advanced technology involves production, research, and education, it is necessary for the central authorities to exercise unified leadership and to carry out unified organizational work to bring forward this technology.

III

I maintain that to usher in a new technical revolution, China must develop, first, electronic computer technology, second, bioengineering, and third, optical fiber communications.

In China, bioengineering is extensively used in agriculture. In this respect, China has many talented people, and it has achieved good results, which are not far from the advanced world level. It is not necessary for us to carry out research on test tube babies. We should devote our efforts to the prevention of mental diseases, epilepsy, and the mentally retarded.

Developing optical fiber technology is an important prerequisite for developing a modernized communications system. We must energetically develop optical fiber technology to usher in a new information community in our telecommunications system. In this respect, we have a certain foundation. Of course, we should regard the development of electronic computer technology as the most important aspect, as it will be the backbone of any newly-emerging industry.

In developing the above three main aspects, we should not overlook other aspects. We should also pay attention to developing the knowledge-intensive industry, such as laser and nuclear energy, and other labor-intensive and capital-intensive, traditional industries. For example, we should not abandon the "setting sun industries" such as textile and clothing industries, as they have provided us with a large amount of money from foreign exchange. What is important is that we should reform and modernize these "setting sun industries," raise their labor productivity, and find new markets for them. This is not contradictory to the development of the knowledge-intensive industry; they supplement each other.

There are two aspects in developing the electronic computer industry. The first aspect is the exploitation and development of the electronic computer industry itself.

We should pay attention to the exploitation of components, integrated circuit, and softwares. We should overcome the shortcomings of carrying out our production in decentralized factories, of using the labor force and financial and material resources in a decentralized manner, and of carrying out low-level, duplicate production. We should avoid the practice of carrying out production in an unplanned manner, because as a result of this, no real social productive forces can be formed. In addition, we should also avoid duplicate import of foreign technology. When importing foreign technology, we must soberly remember that no foreign country is willing to sell its most advanced technology to us. So we should buy some technology which is a little outdated to develop our own technology on the basis of self-reliance.

The second aspect is to serve technical reform in hundreds of thousands of enterprises throughout the country. For this reason, the electronic computer industry must be combined with these three "vanguards" -- the information system (telephone and telegraphic information system), the automation system, and the machine industrial system. If we can accomplish this, we will be able to improve the quality of products and standardize their sizes. Of course, it is impossible to carry out technical reform in hundreds of thousands of enterprises simultaneously. We must carry out the reform by stages and in groups. Here, arduous tasks will be set for the development of the electronic computer industry. It is worth using electronic computer technology as a means for carrying out technical reform and for taking part in international competitions.

To catch up with the international technological level, we must build an efficient international economic information system. This is very important. Up to the present time, China does not have a nationwide, sensitive economic information system. Some comrades have suggested an information center to serve domestic production, international trade, and scientific research work. This is a need for ushering in a new technical revolution. We hope that it can be realized soon.

In order to catch up with the advanced world in the most effective manner, we must immediately work out plans, bring the superiority of various regions into play, and build a base on which production, scientific research, and education can be combined. Talented people, industrial enterprises, scientific research institutions, and institutes of higher learning are centralized in China's eastern coastal areas. In these areas, the cultural and educational level is generally high, the land is fertile, and the information network is good (although information means are backward). Therefore, our plans should be focused on selected, appropriate places in eastern coastal areas. I like the idea of building a "Silicon Valley" in Shanghai or in a region near Shanghai, as there are various kinds of factories, scientific and technological personnel (including social scientists), skilled workers, and institutes of higher learning in this area.

To usher in a new technical revolution, it is imperative to reform the educational system. In Western countries and the Soviet Union, the renewal of modern technology is carried out rapidly, generally every 5 to 6 years, and the renewal of electronic computer technology is carried out every 2 to 3 years. This requires us to build intelligence development organs to cope with new changes. Leaders of enterprises must have a good perception of changes, must be vigorous and creative, and must be able to increase technological development. Engineers must have creativity and be able to accept the changes in the world. Workers must be able to adapt themselves to the new situation and to constantly raise their skills. The educational system must be suited to the above requirements, and educational methods must be reformed. The existing teaching method of cramming must be reformed into a heuristic teaching method.

IV

In carrying out a technical revolution and trying hard to catch up to the advanced world level, there is another important condition, that is, we must emancipate the mind. The following obstacles are hampering our advance, and we must remove them.

1. Conservative ideology. Some comrades have criticized our suggestion on building the new knowledge-intensive and technology-intensive industry as "biting off more than one can chew" and as "being eager to run while unable even to walk," maintaining that it is necessary to reconstruct the traditional industry and to lay a foundation before building a newly-emerging industry. These comrades have failed to see the harsh reality in the international situation and do not understand that trailing behind means lagging behind forever. I maintain that this must not be adopted.

2. Some comrades think that without money, technical revolution cannot be carried out. I maintain that technical revolution must be carried out even if we have no money, as this has important bearings on building the country into an advanced country in the 21st century. It is worth doing at all costs. Practicing economy is our strength, but we must not be closefisted in carrying out technical revolution.

3. Some people say that since we are now overstaffed, more people will be jobless if we carry out automation. I maintain that we must not solve the employment problem by sacrificing China's modernization. Moreover, carrying out automation centered on computer technology will not affect the employment problem. First, it will take a long time to modernize the 400,000 enterprises we now have. We can solve the employment problem while carrying out automation. Second, within 10 to 20 years, the purpose of carrying out automation is to solve the problems which cannot be solved by relying on human senses (for example, eyes and the sense of touch), to improve precision and raise the technological level. This will not throw people out of their jobs. Furthermore, after automation is realized, many hands will be required to supervise robots or to help robots with their work.

4. The attitude toward intellectuals. The central authorities have done well in implementing the policy on intellectuals. But there has been much interference, which restricts intellectuals' creativity and initiative. If this problem is not solved, bringing forward rapid scientific and technological progress is impossible.

5. In carrying out system reform, we must pay attention to abolishing all policies, regulations, and measures which are detrimental to, or even seriously hamper the creation of new technology and trial-producing new products.

6. The central authorities have formulated a general policy that science and technology must cater to the needs of economic construction and that economic construction must rely on the development of science and technology. How should we divide our work under this general policy? I maintain: Science institutes should have a good grasp of economic technological development in their research work, universities should focus their research work on developing new products and new technology, and factories should center their research on the improvement and trial-production of products. Work in these three aspects should be closely coordinated, and reference materials and information should be exchanged.

We have achieved great successes in the Sixth 5-Year Plan, and we are now working out the Seventh 5-Year Plan. I sincerely hope that this new 5-Year plan will reflect our enthusiasm for ushering in a new technical revolution and our determination in catching up with the advanced world industrial and technological level in the 21st century!

EDITORIAL ON TAXING FOREIGN BUSINESS IN PRC

HK281210 Beijing JINGJI RIBAO in Chinese 20 Feb 84 p 1

[Editorial: "Pay Attention to Tax Revenue Involving Foreign Nationals"]

[Text] Taxation concerning foreign nationals and foreign businesses is a job serving the state's long-term strategic principle of utilizing foreign capital and introducing advanced technology from foreign countries. In recent years, our government has promulgated three income tax laws concerning foreign nationals and foreign businesses, namely, concerning Chinese-foreign joint ventures, concerning foreign enterprises, and the individual income tax law. Taxation departments at all levels have done a great deal of work to collect taxes according to law and prescribed tax rates and have effectively ensured economic and technological cooperation between China and other countries and safeguarded our state's economic rights and interests.

In our country, taxation concerning foreign nationals and businesses is a fairly new area in which we do not have enough experience. Tax laws and regulations in this regard need to be improved continuously. At present, the major problem in this field is that many taxes due have not been promptly collected. Leading comrades in some localities and departments, especially many comrades in taxation departments, have not had a correct understanding of collecting taxes from foreign nationals and enterprises. They think that this part of tax revenue "does not involve a huge amount but brings about a great deal of trouble," so they do not make enough efforts to handle this work. In some localities, taxation concerning foreign nationals and enterprises have even come to a standstill with no tax collected in this regard. Governments and taxation departments at all levels must pay close attention to this state of affairs.

Taxation constitutes a main income source for state finances. Taxation concerning foreign nationals and enterprises is related to the state's rights and interests and represents the exercising of state sovereignty over foreign economic affairs. The income gained by foreign companies, enterprises, and individuals who are engaged in economic activities in China -- whether handling production or providing technology and services -- all comes from our country. According to the principle of equality and mutual benefit and being treated equally in international economic activities, these foreign companies, enterprises, and individuals are obligated to pay taxes according to our country's law. If we fail to promptly collect these taxes in due amounts, the state's interests will be lost and will drain away to other countries. This is harmful to our state sovereignty and national interests. Therefore, our taxation departments must seriously implement the tax laws and collect taxes according to prescribed rates to safeguard our country's economic interests.

Facts in recent years show that most of the foreign companies, enterprises, and individuals with business in China are willing to abide by our laws and have seriously fulfilled their duty to taxes. However, because we have not given sufficient publicity to our relevant laws, some foreign businessmen do not clearly understand our country's relevant tax laws and regulations, thus resulting in problems of failing to declare their taxable income, making incorrect declarations, and defaulting on tax payments. On top of that, we have discovered that a very small number of foreign businessmen, in order to gain more profits, resort to such illegal means as concealing facts and falsifying accounts to evade taxes and hinder our tax departments from collecting taxes due them. Therefore, our comrades in taxation departments should actively publicize our tax laws and regulations and help taxpayers correctly fulfill their duty of paying taxes.

On the one hand, we should guarantee foreign businessmen's legitimate interests strictly according to state policies; on the other hand, we must tighten the tax collection system to prevent and remedy their bad practices of doing harm to our country's economic rights and interests by illegal means.

Taxation of foreign nationals and enterprises not only constitutes a necessary means for safeguarding state interests, but also embodies our government's foreign economic policy. The imposition and remission of taxes and the tax rates all serve the state's principles and policies for making use of foreign capital and introducing advanced technology and serve our purpose of developing the national economy. By offering preferential treatment in taxation, we can encourage the import of the advanced technology and equipment suited to our country's conditions and can direct foreign capital and imported technology to the industries and economic sectors whose developments are most urgently needed by our country. Through taxation, we can also limit the imports of the equipment and products which our country has already been able to produce or which has become outmoded.

Taxation concerning foreign nationals and businesses is related to many international taxation conventions and matters of law, accounting, and terminology. Differences also exist in foreign-related taxation and domestic taxation in the fields of burden-sharing policies, tax collection and management, and calculation formulas. Now our country is expanding the range of using foreign capital and introducing advanced technology. The number of these projects has grown, and the contents have become more varied. The forms of payments have also become more complicated. The number of foreign nationals doing business in China is increasing steadily and their movements in and out of China have also become more frequent. All this makes our tax collection work more difficult. Therefore, governments and tax departments at all levels must effectively strengthen their leadership over the work of handling taxation concerning foreign nationals and businesses, further update our regulations and laws regarding foreign-related taxation, and appoint competent personnel in the organizations in charge of this work. Personnel in these organizations should have good ideological quality and good education, and gain rich experience in the tax collection work. The tax management system should be adapted to the characteristics of foreign economic work. Responsibility for taxation concerning foreign nationals and businesses should be assigned to special personnel to ensure that the work can be carried out in a down-to-earth manner.

ARTICLE DISCUSSES MARX' ALIENATION THEORY

HK281140 Beijing GUANGMING RIBAO in Chinese 13 Feb 84 p 3

[Article by Zhou Zuohan and Zhou Zhongqiu: "Why Do We Say That Alienation Is Not a Marxist Category?"]

[Text] In his article: "On Humanism and the Alienation Issue," Comrade Hu Qiaomu says: "We must distinguish between two different ways of dealing with the concept of alienation: first, taking alienation as our basic category and basic law, our theory and method; and second, taking it as a concept for expressing some specific phenomena (including some phenomena reflecting certain underlying laws) of a specific historical period. Marx refused to use the first concept of alienation. He used it only in the second sense. Moreover, he strictly limited its use to a society with class antagonism, particularly the capitalist society." He thus clearly tells us that alienation is not a basic Marxist category. Why do we say so? According to our understanding, this is not only because it is an old category, but what is more important, the use of this category fully demonstrates the immaturity of Marx's early ideology.

This immaturity is mainly reflected in the following two ways:

First, the method of study and expression conspicuously displays the vestiges of the Hegelian speculative philosophy. Early in 1844, Marx switched from philosophy to the study of economics and vigorously tried to proceed from "experience and facts" and to draw conclusions by "analyzing experiences." This was enormous progress. However, this was just a beginning. In studying the alienation of labor, Marx used alienation to explain the entire history of social development. In using the theory of alienation of labor to analyze and explain the origin and essence of private property, in examining capital, labor, and the movement of the contradictions between them, and in discussing the characteristics of communism, he had obviously used the speculative philosophy. It was not until more than a year after the writing of the "Manuscripts" that Marx began to realize this point. He then clearly stated that he "must break loose from the confines of philosophy and study reality as an ordinary man." ("Collected Works of Marx and Engels," Vol 3, p 262) In the form of expression, the presence of the old vestiges was even more conspicuous.

Second, the vestiges of Feuerbach's humanism were conspicuously present in the content. Although Marx's discussion of alienation of labor was undoubtedly more advanced than Feuerbach's theory of humanist alienation, Marx had not yet completely freed himself from the influences of Feuerbach's humanism. Of course, in posing the question, Marx started from the real man living in a capitalist system; however, his theory started from an a priori presumption, that is: in man's very beginning, an idealized human nature, namely, free and conscious activity, already existed; but later, this nature was alienated, so that man was divorced from human nature. Moreover, Marx even used this abstract alienation of human nature as the key to "resolving the mystery of history." He took the sublation of this abstract alienation of human nature as the task or objective of his theory, and stressed taking the idealized man, or the so-called man's genuine nature, as the criterion for appraising society. Thus, Marx added an intense dose of humanism to his idea of alienation, which was characterized by the theory of alienation of labor. Therefore, during that period, the ideologies of Marx and Feuerbach were obviously marked by a relationship of both disparity and integration, and such vestiges of humanism in Marx's idea of alienation precisely showed the transitional nature of his ideology at that time.

Some comrades hold that the mature form of Marxism was derived through alienation of the concept of alienation. This view is not only untenable theoretically, but is also incompatible with the actual history of the birth of Marxism.

First, the humanist theory of alienation and the materialist historical outlook are two basically contradictory historical outlooks. From Feuerbach's theory of alienation, we can see that the humanist theory of alienation contains two basic points: first, alienation is alienation of man; and second, alienation is a state of distortion and destruction of man's nature. Thus, the humanist theory of alienation necessarily implies the following two points: first, by a priori presupposition, an idealized human nature existed in man's very beginning; and second, the alienation of this human nature, and the sublation of this alienation for the rebuilding or restoration of man's nature, constitute the cause and theme of the movement of historical development. This is obviously an idealist historical outlook that is basically contradictory to the materialist historical outlook which is based on socioeconomic life and which explains history and reality by studying the movement of the contradiction between social productive forces and production relations.

Undoubtedly, by studying the question of alienation, particularly the alienation of labor, Marx deepened his understanding of social material life; his idea of alienation contained some rudiments of, or an element of, the materialist historical outlook. However, because he was influenced by humanism and he accepted the existence of abstract human nature, he necessarily disregarded the man of the real world. Thus, he necessarily paid greater attention to studying labor in the ethical sense or the alienation (dehumanization) or negative aspect of labor, at the expense of studying the positive aspect of labor or studying it as a specific object. Thus, he could not examine and analyze labor in the sense of historical necessity.

Second, a scientific theory of socialism cannot be based on the theory of alienation. A basic characteristic of utopian socialist theory is that its exposure and criticism of capitalism and its depiction of the ideal future society proceed from abstract "human rationality," "eternal justice," and moral precepts: it is based on indignation and imagination, instead of on a scientific analysis of the capitalist economy. In his theory of alienation of labor, Marx based himself on analyzing the reality of capitalism; and through an analysis of labor, he vigorously attempted to study the nature and origin of private property ownership, to expose the antagonism between wage labor and capital and to understand communism as an "actual move" to abolish private property ownership. This shows that Marx had far surpassed the utopian socialists and communists of the past. However, at that time, his ideology embodied the following logic: An ideal human nature existed in the beginning of mankind, and human nature was alienated with the appearance of private ownership; however, the alienation of human nature is not right and will inevitably be sublated; but the positive sublation of the alienation of human nature is tantamount to the abolition of the private property ownership system; therefore, the private property ownership system must necessarily die out. In discussing the question of communism, Marx linked communism to humanism and naturalism, holding that communism, "as a consummated form of naturalism, is tantamount to humanism; and as a consummated form of humanism, it is also tantamount to naturalism." ("Collected Works of Marx and Engels," Vol 42, p 120) He also considered communism as the rebuilding and restoration of man's nature. This fully shows that his idea of alienation, particularly his theory of alienation of labor, had utopian and ethical characteristics.

Third, within the scope of the idea of alienation, the secrets and laws of operation of capitalist economic relations cannot be scientifically exposed. Alienation is a common phenomenon under capitalism, which is an external expression of the antagonism inherent in capitalist economic relations. If we examine the economic relations of the capitalist society merely from the viewpoint of alienation, we can at most discern the antagonism and irrationality embodied in these economic relations. However, Marxism does not aim to point out this kind of antagonism and irrationality (in this respect, the utopian socialists had already made contributions), but instead aims to expose the real secrets of this antagonism, to point out the objective inevitability of the dying out of this irrationality, and to point out the way this irrationality will die out. Marx's putting forth of the theory of alienation of labor and his use of this theory to criticize the capitalist society made him surpass all visionaries and philosophers who had previously criticized capitalism. Even so, however, Marx merely more extensively and profoundly exposed the antagonism and irrationality embodied in capitalist socio-economic relations. Why do we say so? It is because of the limitation of his theory of alienation of labor by humanism. At that time, Marx examined the alienation of labor and questions in economics from the viewpoint of humanism. On the one hand, in Marx's view, Ricardo's labor value theory viewed labor as the essence of wealth, truthfully exposed the dehumanization caused by private property, and thus helped expose capitalist dehumanization.

On the other hand, however, Marx also held that the labor value theory stood in contradiction to the workers' plight in capitalist society. The labor value theory, though taking alienation of labor as its stand, is not based on human nature. Therefore, Marx flatly negated this theory. It was only in "The Holy Family" that Marx's attitude toward the labor value theory began to change. It was in "German Ideology" and "The Poverty of Philosophy" that he began to treat the labor value theory in a genuinely scientific sense. In subsequent studies, Marx further integrated the materialist historical outlook with the study of economics. On the basis of critically assimilating the positive achievements of classical political economics, he established the theory of the dual nature of labor and the theory of labor power as a commodity, and finally perfected the surplus value theory. Since then, Marxism could scientifically expose the real secrets of capitalist economic relations and the laws of operation of these relations. Thus, it can be seen that the ideological weapon in Marxism as the science for analyzing capitalism is not the idea of alienation, but is the surplus value theory based on the materialist historical outlook.

PRACTICING OF PARTY'S MASS LINE URGED

HK281153 Beijing GUANGMING RIBAO in Chinese 13 Feb 84 p 3

[Article by Li Jingrui: "Become a Conscious Practicer of the Party's Mass Line"]

[Text] The mass line represents the Marxist work style created by the CPC in leading the Chinese people in the prolonged practice of the revolution. It marks a conspicuous differentiation between CPC members and members of other political parties. Since the 3d Plenary Session of the 11th CPC Central Committee, an outstanding contribution to theory by the party Central Committee has been the firm insistence on and development of Comrade Mao Zedong's ideology on the mass line, pointing out the direction for displaying the glorious heritage of the mass line under the new historical conditions to the vast masses of party members. Now, at a time when the party is intensively engaging in party rectification and rectification of its work style, it is extremely necessary to carry out a review of the party's mass line.

The Masses Are the Source of Our Power

In recent years, in a series of talks and articles, leading comrades of the party Central Committee have repeatedly emphasized the importance of firm insistence on the party's mass line and the viewpoint of the masses, stressing the relations of sharing weal and woe between the mass line and mass viewpoint and the party's enterprise. Comrade Deng Xiaoping has pointed out: "The masses are the source of our strength and the mass line and mass viewpoint are our precious heritage. The party organization, party members, and party cadres must stand in line with the masses and absolutely cannot stand opposed to them. A party organ which is seriously divorced from the masses and is unable to effect any rectification will lose the source of its strength, is bound to fail, and will be banished by the people. All party comrades and cadres at various levels, particularly leadership cadres, must constantly remember this point and constantly use this criterion to examine all their words and deeds?" "...What a revolutionary political party fears most is that it will not hear the voices of the people, particularly when there is utter silence." ("Selected Works of Deng Xiaoping," pp 327-328, 134) The reason the mass line and mass viewpoints occupy such an important position is that this is determined by the materialist conception of history, which forms one of the theoretical bases for the ideological guidance of our party.

The materialist conception of history reveals that production of material wealth is the most important foundation of society and that development of the productive forces determines in the end the whole social process.

The social productive forces comprise not only the tools and means of labor but also human beings and the working people who produce the material wealth. The working masses constitute the greatest objective material force propelling forward the progress of history. The actual practices and activities of the working masses nurture the material civilization of mankind; they not only create the material logical premise and provide plentiful raw materials for the spiritual civilization of ideologists, scientists, and artists, but also initially process these raw materials and even directly create the treasures of spiritual wealth; by means of their historical initiative, they also promote the leaping forward of the social formation from a low level to a high level. For this reason, the masses of people are truly the masters of history.

Precisely because of the materialist conception of history, our party, since the day of its birth, has clearly stipulated: The CPC is the faithful representative of the interests of the various nationalities of the Chinese people; it has no special interests of its own, beyond the interests of the working class and the broadest masses of the people. In contrast to the political parties of the capitalist class, our party does not treat the masses of people as its own tools but consciously declares itself a tool of the masses of people for the fulfillment of a historical mission in a specific historical period. Firm understanding of this concept carries the firm understanding that the party wields no power above or over the masses of people; it has no power to bestow anything on, or run the whole show for, or mandatorily order the masses of people, and far less any power to declare itself lord and master over the masses of the people.

In the difficult struggle of leading the Chinese revolution, our party, starting from the realities of the Chinese revolution, has made a creative utilization and development of the theories of Marxism-Leninism concerning the historical role of the masses of people. It has not only irrevocably insisted on the mass viewpoint in guiding thought but also in actual work has formed a leadership method and work style characterized by the mass line. This is a CPC members' creation with rich special features and is also a scientific summation of the experiences gained in China's revolutionary struggles.

What exactly constitutes our party's mass viewpoint and mass line? The so-called mass viewpoint comprises the following four contents: the viewpoint of everything for the masses; the viewpoint of responsibility in everything to the masses; the viewpoint of believing in the masses' liberating themselves; and the viewpoint of learning from the masses.

As for the so-called mass line, to put it simply, it carries a two-sided significance: On the one hand, it is a belief that the masses of people must liberate themselves; the entire mission of the party is wholeheartedly to serve the people; the party's leadership role over the masses of people is correctly to point out to the people the direction of the struggle and to help the masses of people to act themselves to strive for and create their own happy livelihood. On the other hand, it believes that whether or not the party's leadership work can maintain correctness is determined by whether or not it can adopt the method of "coming from the masses and going to the masses."

Actual practice has shown that only in firmly relying on the masses, being in close liaison with the masses, at all times listening to the cries of the masses, knowing the feelings of the masses, and representing the interests of the masses, can the party form a powerful force and smoothly accomplish its own various tasks.

Firm Insistence on the Mass Line Is a Concrete Illustration of Being Practical and Realistic

In talking about Comrade Mao Zedong's advocacy of the party's superior work style, Comrade Deng Xiaoping said:

"In the work style advocated by Comrade Mao Zedong, the mass line and being practical and realistic are the two most basic things,"... "concerning the present condition of our party;... the mass line and being practical and realistic are especially important." (Ibid., p 42) Herein, Comrade Deng Xiaoping's advocacy of placing the mass line and being practical and realistic in a position of equal importance was by no means accidental. This is because the important content of the mass line is "coming from the masses and going to the masses," which itself is a vivid manifestation of the "knowledge theory" of Marxism as well as a vivid manifestation of being practical and realistic.

What exactly is "coming from the masses and going to the masses?" Concretely speaking, it embraces the following three closely related stages:

"Coming from the masses" -- the process of the leadership's acquiring a rich knowledge of understanding the sentiments of the masses, the wishes of the masses, the hopes of the masses, and the experiences gained by the masses in actual practice. In the final analysis, the leadership's correct policymaking and methods can be derived only from the masses of people who are engaged in the actual practice of production struggle and class struggle. If the leadership does not go deep among the masses, does not understand the sentiments, wishes, and hopes of the masses, and does not collect valuable experiences in the actual practice of the masses, then it cannot produce policies and methods in line with the special features of the locality and with the wishes of the masses of the locality. In actual work, many of the cadres do not subjectively lack the desire to serve the people, but still they do not do well in their work, resulting in great losses to the people. The reason may principally be found in their inability to insist on "coming from the masses," considering themselves to know much more, and be much wiser than the masses, failing when matters arise to learn from the masses or to hear the views of the masses, and going so far as to decline to discover the thoughts of the masses or their actions. The result is that their ideas are not workable among the masses.

"Centralizing" -- the process of a dialectical understanding of conversion of the masses' views into the leadership's correct views. "Coming from the masses" is not simply reflecting a direct perception through the senses but calls for dynamically carrying out scientific abstraction and use of the basic theories of Marxism-Leninism and Mao Zedong Thought and other scientific knowhow, collecting together the scattered, unsystematic and perceptual mass views and mass experiences, subjecting them to scrutiny, studying them, and converting them into centralized and systematic viewpoints. Naturally, of the views coming from the masses, some may be correct and some incorrect. This will require the leadership to readjust, analyze, judge, and summarize them. Without so doing, it will be impossible to centralize the correct views of the masses of people and so-called "centralization" will be just empty talk.

"Going to the masses" -- a procedure in which the leadership's views concerning the masses' actual practices are examined, revised, completed, and improved. Thus, through "coming from the masses" and "centralization" the leadership acquires a rational knowledge which is centralized and systematic. Nevertheless, is such knowledge correct? Does it factually reflect the nature of objective reality? To make a scientific judgment, we cannot rely on supposition or on our views but must rely on actual practice. Comrade Mao Zedong said: "To judge whether or not a theory of knowledge is true does not depend on subjective feeling but objectively on the result of actual social practice. The criterion of truth can only be social practice." ("On Practice") On many occasions, the leadership's views are imperfect and their imperfection is rectified through "going to the masses," and there are many occasions on which the leadership's views are erroneous but through "going to the masses" their errors are rectified.

It can be seen from the above that the process of "coming from the masses and going to the masses" is a process for the gradual improvement and enrichment of the leadership's ideology, is a process for the gradual improvement and development of the actual revolutionary movement, and is also the process for the dynamic understanding of the world and the rebuilding of the world. Herein the mass line and being practical and realistic are unified and consistent.

Correctly Understand the Duties and Responsibilities of the Party in Power: Beware of the Dangers of Being Divorced From the Masses

Directed against the enormous damage done by the "gang of four" to the party's mass line, since the 3d Plenary Session of the 11th CPC Central Committee, Comrade Deng Xiaoping and other leading comrades of the party Central Committee have many times emphasized their opposition to the problem of cadres assuming a special status, stressing the need to overcome the problem of bureaucracy and severely criticizing the erroneous traits of an extremely small number of people making use of their position and power to encroach on the public interest and going so far as to become tyrannical and to perpetrate outrages. All this has made us understand deeply that as a CPC member, or a leadership cadre of the party, whether or not we insist on the mass line not only is extremely important during the period of the revolutionary war but also concerns the question of the party's life or death even after we have become the party in power.

We should understand that due to our party's being the party in power, the danger of our party cadres being divorced from the masses is not smaller than before but greater. Concerning this situation, Comrade Deng Xiaoping had already clearly pointed out this situation when he made his report on "Revision of the Party Constitution" to the Eighth CPC National Congress in 1956. He said: "Our status as the party in power has confronted our party with a new test"... "7 years of experience have similarly told us that the position of being the party in power can very easily contaminate our comrades with the habits of bureaucracy. The danger of being divorced from reality and from the masses, as far as the party organization and party members are concerned, is not become smaller, but larger than before." "The lofty position of being the party in power can very easily breed arrogant and complacent feelings among Communist Party members." In view of the actual situation of our party after 1956, Comrade Deng Xiaoping's above-mentioned points are well worth our comprehension.

How should we avoid the danger of being divorced from the masses? In my opinion, the following several points deserve attention:

First of all, we must correctly understand the leadership's responsibility and role. What is the leadership's responsibility? Regardless of the kind of work, when the masses have still not yet achieved consciousness, our responsibility is to employ every effective and appropriate means to arouse their consciousness. No matter how difficult it is and how long it may take, this first and foremost step must be accomplished well. The second step is that when the masses have manifested a certain necessary consciousness, our duty is to guide their actions and, when the masses' actions have begun, we must again, from among their actions, arouse their second consciousness. In this way, step by step, we lead the masses to struggle for the basic slogan of the masses of people advocated by the party. This is a manifestation of the entire role of our CPC members and of all the advanced elements and leaders among the masses in the work of the masses of people. Is it not precisely because of a failure to see this point that certain of our comrades have caused themselves to be divorced from the masses? As they see it, any self-originating wishes or consciousness on the part of the masses may be viewed as the "masses' backwardness" and are totally ignored! They hardly know that when they begin to think and to act in this way, they have begun to set themselves in opposition to the masses.

Second, we must maintain and augment the feelings of urgency seen in wartime of going deep among the masses and being in close liaison with the masses.

During the war years our party members and cadres all deeply understood: that only in truly representing the interests of the masses of people could we earn the people's support; otherwise we would be no different from the KMT, the people would not support us, and we would not be able to survive. These feelings of urgency are equally necessary during the socialist period. This is because in the last analysis vividly creative socialism is the product of the masses, and the masses are still the source of our strength.

Third, we must use our power properly and correctly and cannot use it as a tool to gain private interests. Among the ranks of our cadres, the great majority of the comrades are good or relatively good, but there is still a very small minority who are more inclined to seek private interests of the individual. They are too much concerned with the interests of the individual and the family. As a result, they have little thought and energy left to care about the masses. At the most, they can do as a matter of form only those things that are absolutely necessary. Can we say that this type of people know from where they have obtained the power that is in their hands? In reality, how these people act and what they do shows that they want to utilize the status of the party in power to "enrich themselves." However, our party is a Marxist political party that has undergone prolonged tests. Any acts conspiring to make use of the party's highly esteemed prestige among the masses to seek private interests run contrary to the party's essential character and are therefore eventually unworkable.

SOCIALISM IN ECONOMICALLY BACKWARD COUNTRIES DISCUSSED

HK271053 Beijing GUANGMING RIBAO in Chinese 6 Feb 84 p 3

[Article by Zhou Longpin: "On the Theoretical Grounds for Building Socialist Systems in Economically Backward Countries" -- capitalized passages published in boldface]

[Text] The theoretical grounds for building socialist systems in economically backward countries have become a major subject of study in theoretical circles over the past few years. This article deals with this question to provide some facts and the related ideas of teachers of the proletarian revolution to further promote the study.

AN IMPORTANT FACT: MARX AND ENGELS DID IN NO WAY DENY THE POSSIBILITY OF THE INDUSTRIALLY BACKWARD COUNTRIES, MAINLY DOMINATED BY AGRICULTURE, CARRYING OUT SOCIALIST REVOLUTION.

There has long existed a viewpoint which appears to say that Marx and Engels acknowledged that it is only the countries with advanced industry, highly developed productive forces, and highly socialized production that are in a position to start the socialist revolution in production relations. Such an understanding is not complete.

Marx and Engels pointed out in the 1840's that the socialist revolution could happen simultaneously in all civilized countries, at least in Britain, the United States, Germany, and France. And in the early 1870's, Marx said: "In all the places where a great number of peasants exist as private landowners, in all the places, such as the various countries in Western Europe, where peasants are in the majority, and in all the places where peasants still exist, unlike in Britain, where they have been replaced by hired farmhands," the proletariat "will take measures through government to directly improve the situation of peasants and draw them to the side of the revolution; from their very beginning, these measures must promote the transition of private land ownership to collective land ownership and make the peasants themselves realize this transition through economic means." ("Collected Works of Marx and Engels," Vol 18, p 694) It is apparent that the various countries of the Western Europe Continent mentioned by Marx include France and Germany.

What were the economic situations of France and Germany in the early 1870's? France and Germany respectively entered the period of industrial revolution in the early 19th century and after the 1830's. The industrial revolution in Germany was entered in the later period following basic completion of the French industrial revolution in the early 1870's. The industry of these two countries made tremendous progress during this period and yet still lagged far behind British industry. In addition, the proportion of small enterprises (employing less than 10 staff) in these two countries was very high (60 percent of French workers were employed by such enterprises) while small peasants were in the majority. Comparing the economic situations of France, Germany, and Britain in the early 1870's (British industry developed considerably in the 1870's, socialized mass production was in a dominant position while small production was basically eliminated) with the above explanation by Marx, we can easily find that Marx was of the opinion that in addition to the countries with highly developed industry and productive forces and highly socialized production (as in the case of Britain at that time), the countries with underdeveloped industry and where small peasants are in the majority, coupled with low socialization of production (such as France and Germany at that time), were also in a position to start the socialist revolution and to gradually abolish private ownership when other conditions are ready.

Now let us take the situation of Russia. Following the abolition of serfdom in Russia in 1861, the capitalist large-scale industry developed rapidly in this country. In the early 1880's, powered machinery already made up two-thirds of the machinery used in textiles, while in the metallurgical industry, the horsepower of steam engines surpassed that of waterwheels. But compared with the capitalist countries in Western Europe, Russia was a backward country, both economically and technically. At that time, bourgeois land ownership had just begun to develop in rural areas in Russia and a considerable amount of land was still possessed in common by peasants. It was under these situations that Marx and Engels put forth this question in 1882: "Is it possible for Russian communes, which represent the primitive land ownership that has already been seriously damaged" to "move directly to the advanced form of communist public ownership?"

Marx and Engels did not flatly reject this question. They said: "If the Russian revolution becomes a signal for the proletarian revolution in the West, and if they complement each other, the present land ownership by the commune in Russia will become the starting point for the development of communism." (Ibid, Vol 19, p 326) Therefore it can be seen that neither Marx nor Engels ever denied the possibility of countries with backward industry and economy abolishing private ownership and establishing socialist public ownership.

A SCIENTIFIC PREDICTION: REVOLUTION CAN HAPPEN WHEN THE CONTRADICTIONS BETWEEN PRODUCTION RELATIONS AND PRODUCTIVE FORCES ARE AT THEIR EXTREME OR WHEN THESE CONTRADICTIONS HAVE NOT REACHED THIS STAGE.

In "The German Ideology," Marx and Engels studied in detail the contradictions between productive forces and the forms of intercourse. And they consequently put forth this very important principle: "According to our view, all historical conflicts stemmed from the contradictions between productive forces and the forms of intercourse. In addition, it is not necessarily the case that conflict within a country will happen only after such contradictions have reached their extreme. The emergence of competition in the process of wide international intercourse with the countries that have built a relatively advanced industry is enough to reveal the similar contradictions in the countries with a less developed industry (for example, the industrial revolution in Britain has brought to light the hidden proletariat in Germany)." (Ibid., Vol 3, p 83) What can we learn from these words?

First, all conflicts in history stemmed from the contradictions between productive forces and the forms of intercourse.

Here, the forms of intercourse were later termed by Marx and Engels the concept of relations of production. Historical conflicts here mean revolution. They also said in the same chapter of the book: "These kinds of contradictions between productive forces and the forms of intercourse (as we have seen, they happened on a number of occasions in history in the past, but they did in no way threaten the foundation of these forms) have given rise to revolution every time they occurred." (Ibid.) In comparing these two aspects, it can be easily understood that "historical conflicts" refer to revolution, and there is no problem in this interpretation. History has witnessed, on a number of occasions, the emergence of revolution resulting from contradictions between production relations and the forms of intercourse. And Marx and Engels made the above summary after studying the reasons for the emergence of different types of revolution. Later, in "Preface to 'Critique of Political Economy,'" they gave a more definite explanation. They said: "When the material productive forces in society have developed to a certain stage, they will contradict the relations of production and the relations of finance (a legal term for the relations of production) that have all along existed in the activities of productive forces. Consequently, these relations change from the form of development of productive forces into a shackle on these forces. And the era of socialist revolution comes at that time." ("Selected Works of Marx and Engels," Vol 2, pp 82-83) This is what the history of mankind has told us. Revolution can emerge only when the relations of production have become a stumbling block to productive forces and when these relations have turned into the bonds of the productive forces. Otherwise, the emergence of revolution will have no foundation. And this view represents the basic viewpoint of historical materialism.

Second, such historical conflicts or revolution may happen at a time when the contradictions between production relations and productive forces are at their extreme or when these contradictions have not reached such an extreme. This view represents an outstanding use of Marx's and Engels' dialectical ideology in the relations between production relations and productive forces. In fact there are two conditions in which contradictions are resolved to realize the change of one thing into another. That is to say, contradictions may be resolved when the antagonism between the two contradictory sides is very sharp and has reached its utmost or when it has not reached its peak. This means that in solving all contradictions, the extent of the contradictions and struggles between the two antagonistic sides is different. And so is the situation of the contradictions in social life, production relations, and productive forces.

When a country is changing the ownership of the means of production to another form of ownership, the contradictions and struggles between production relations and productive forces may have different extents. For example, private ownership may change to public ownership in some countries with highly developed productive forces where modern and socialized mass production is in a dominant position and the contradictions between production relations and productive forces are at their extreme. This situation may represent the way for revolution in advanced capitalist countries. On the other hand, it is also possible that the revolution in the means of production may happen in some countries with relatively backward economy without having to wait for the emergence of the situation in which productive forces are highly developed, modern and socialized mass production is dominant, and the contradictions between production relations and productive forces have reached their extreme. In "The Problems of French and German Peasants," written by Engels in his later years, he talked about this question when referring to the matter of how the proletariat should help small peasants in changing from their small peasant economy to cooperatives. He said: "It is not necessary for us to wait for the emergence of various extremes as the results of the development of capitalist production and to wait for the last small handicraftsman and the last small peasant to become the victims of capitalist production before we realize this change." ("Collected Works of Marx and Engels," Vol 22, pp 582-583)

These words represented a solidification of Marx and Engels' dialectical ideology as expounded in "The German Ideology."

Third, similar contradictions between production relations and productive forces may also happen in countries with less developed industry. Seen from Marx' consistent ideology, these contradictions between production relations and productive forces refer to the contradictions between private ownership (including capitalist and individual private ownership) and social productive forces. This view means that the contradictions by which the ownership of the means of production has hindered the development of productive forces (the contradictions between these two aspects have not reached their extreme) may also occur in the countries with certain modern industries. Therefore, following the seizure of political power by the working class, there also exist, in these countries, the objective grounds for the revolution to change ownership.

The above-mentioned three viewpoints are indispensable to each other. The first and second views constitute an important principle for historical materialism, that all kinds of revolution stem from the contradictions between the relations of production and productive forces, but that it is not necessary for these contradictions to reach their extreme. This understanding represents the unity between the materialist viewpoint and the dialectical viewpoint. The third view represents the utilization of this principle in countries with relatively advanced industry. From these three views we can naturally arrive at the conclusion that the revolution for the transition of private ownership to socialist public ownership may happen under these two conditions. And this conclusion presents theoretical grounds for communists to be able to fully display their initiative in this revolution and to speed up society's development. Therefore it is apparent that it is an important task for communists to watch for whether the contradictions between capitalist and individual private ownership and productive forces are hindering the development of the latter so that they will be able to launch the revolution in time and with grounds and consequently establish a socialist system.

MARX AND ENGELS' PREDICTION HAS BEEN VINDICATED BY THE PRACTICE OF REVOLUTION.

Since the advocacy of the above-mentioned scientific prediction by Marx and Engels, some countries with originally backward economies are still characterized by less developed industry and the extent of their socialized mass production is not high (not dominant). But the powerful working class has seized political power in some of these countries under the leadership of its political party -- the Communist Party. And the seizure of political power by the proletariat has been followed by measures taken to turn modern industry, which is in control of the economic lifeline, into state socialist economy, to launch the socialist revolution, to gradually change the private ownership of the means of production, and to set up and develop a socialist system. The success of this practice has served to prove that the principle put forth by Marx, which advocates that all historical conflicts (revolution) stemmed from the contradictions between production relations and productive forces, and that it is not necessary for these contradictions to have reached an extreme stage, is scientific and correct.

Now let us take the situation in China as another example. The CPC put forth the general line for the transitional period in 1953. By that time, China already had certain modern industries, that made up 37.6 percent of industrial and agricultural gross output value. It was true that at that time, the contradictions between social productive forces and capitalist and individual private ownership had not reached their utmost. Yet they were becoming more acute. In agriculture, the small peasant economy was not in a position to help peasants get rid of poverty. And even following agrarian reform, small peasants were compelled to sell their land and draught animals because of man-made and natural calamities.

They found that the way out for them was not to rely on individual farming; the small peasant economy was not in a position to use new technology, while development of water conservancy demanded that individual peasants pool their strength. In addition, the small peasant economy was also not in a position to provide more grain and cotton and to supply a vast market to meet needs in the development of industry. Some industrial sectors in urban areas (such as the textile industry) were then working below capacity because of shortages of raw materials, and consequently the growth of industry was affected. In addition, the small peasant economy is also characterized by scattering and blindness, only hindering the planned development of the socialist economy. The CPC studied the various forms of the contradictions between the relations of production and productive forces and led the whole nation in carrying out socialist transformation, which is in fact the socialist revolution in production relations. Although this campaign had defects (mainly referring to being too harsh and demanding results too rapidly in the latter period of the campaign), taken as a whole, it accorded with the objective needs in the development of productive forces. The theoretical grounds and foundation of this campaign were the principle put forth by Marx that all historical conflicts stemmed from the contradictions between the relations of production and productive forces and these contradictions are not necessarily at their extreme. This principle also represents the theoretical grounds and foundation for the proletariat in all economically backward countries to launch revolution in production relations and to establish and develop a socialist system following the seizure of political power. The victory won by the socialist revolution in production relations in China showed that CPC policy is correct, that the principle put forth by Marx and Engels has great vitality, and that this principle has been proven to have great and scientific predictive power.

JINGJI RIBAO ON COMMUNE-RUN INDUSTRIES

OW282104 Beijing XINHUA in English 1140 GMT 28 Feb 84

[Text] Beijing, February 28 (XINHUA) -- China's commune-run industries are now employing 30 million peasants, or one-tenth of all labor power in the countryside, the ECONOMIC DAILY reports today. These rural industries furnish one-fifth of China's coal output, one-third of its output of sulfur and phosphorous fertilizer, and two-thirds of its output of bricks and tiles, the paper adds.

With new jobs provided by these industries following the implementation of the new rural policies, peasants can now diversify their economy without gravitating to cities for employment. During the past few years, the paper says in an editorial, rural industrial production grew at an annual average rate of 13 percent. Their combined income last year came to 85 billion yuan (about 42.5 billion U.S. dollars), or near one-tenth of the nation's total agricultural and industrial output value. Between 1979 and 1982, the paper continues, they contributed eight billion yuan (four billion U.S. dollars) to farmland capital construction, out of a total profits of 45 billion yuan (22.5 billion U.S. dollars). This was equivalent to 88.3 percent of the farmland capital construction investment made by the government during the same period.

The rural industrial enterprises are a necessary supplement to the state sector of industry, the paper notes. They can better utilize available natural resources to produce goods catering to market demand, while providing state-owned factories with raw and processed materials and semi-finished products. In a recent circular, the Chinese Communist Party Central Committee reiterates the importance of developing rural industries. It describes rural fodder, food, energy and construction industries as a "pressing need" and calls for their vigorous development.

PENG ZHEN CONTINUES INSPECTION IN JIANGSU

OW281145 Beijing XINHUA Domestic Service in Chinese 1649 GMT 26 Feb 84

[By reporter Yin Xuecheng]

[Text] Nanjing, 26 Feb (XINHUA) -- At a meeting in Nanjing with responsible comrades of Jiangsu Province, Comrade Peng Zhen, member of the CPC Central Committee Political Bureau and chairman of the NPC Standing Committee, said: The primary task of veteran comrades is to promote young cadres. In particular, veteran comrades should be bold in appointing young cadres to important posts, letting them shoulder heavy tasks, and creating conditions for them to gain all-round experience in exercising leadership.

On 25 and 26 February Comrade Peng Zhen twice listened to the work reports by responsible comrades of Jiangsu Province. In conversations with Standing Committee members of the provincial CPC Committee, he reviewed the history of the Chinese and international communist movements in conjunction with a recollection of what he has personally experienced. Then, in sincere words, he expounded on the profound importance of training successors. He said that when this question has been solved, our economic work and other tasks will make steady progress. After hearing the briefings by Secretary of the provincial CPC Committee Han Peixin, provincial Governor Gu Xiulian, and others on the economic work in the province, Comrade Peng Zhen said delightedly: If one-half of the provinces in the country can develop their economies as successfully as Jiangsu, we will find the going even better.

Comrade Peng Zhen started his inspection tour of Nanjing on 23 February. At the Nanjing radio plant he saw with keen interest an exhibition on the history of this plant and expressed satisfaction with its achievements in using the technology and equipment originally for making military items to turn out products for civilian needs. He said: It is good practice to combine the production of military items and civilian products because the same technology and equipment can be used for both purposes. We must break down the trade barrier. This will produce good economic results.

YU QIULI, OTHERS MOURN ZHANG FANG'S DEATH

OW281041 Beijing XINHUA Domestic Service in Chinese 1228 GMT 27 Feb 84

[Excerpts] Beijing, 27 Feb (XINHUA) -- Comrade Zhang Fang, former vice minister of the Ministry of Metallurgical Industry and member of the Sixth CPPCC National Committee, died of illness in Beijing on 17 February this year at the age of 68. In accordance with Comrade Zhang Fang's last wish, his funeral was kept simple and no memorial meeting was held for him.

A ceremony to pay last respects to Comrade Zhang Fang was held at the Babaoshan Cemetery for Fallen Revolutionaries on the afternoon of 25 February. Present at the ceremony were Yu Qiuli, Song Renqiong, Hu Qili, Yan Jici, and Tian Jiyun; responsible persons of the departments concerned; and Comrade Zhang Fang's friends. The urn containing Comrade Zhang Fang's ashes was placed at the Babaoshan Cemetery for Fallen Revolutionaries.

JIANGSU'S HAN PEIXIN PLANTS TREES 27 FEB

OW281300 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 27 Feb 84

[Excerpts] More than 350 cadres of the provincial-level organizations cheerily went to plant trees at the greening base for provincial-level organizations on 27 February. Among them were responsible comrades of the provincial CPC Committee and the provincial government Han Peixin, Shen Daren, Gu Xiulian, Sun Han, Ye Xutai, Jin Xun, (Yue Dewang), Sun Jiazheng, and Chen Huanyou.

Comrades (Tang Haiyu) and (Wang Ruojie), members of the Jiangsu liaison group of the Central Commission for Guiding Party Rectification, also planted trees today.

SU YIRAN ATTENDS SHANDONG UNION CONGRESS CLOSING

SK270316 Jinan Shandong Provincial Service in Mandarin 2300 GMT 26 Feb 84

[Excerpt] After triumphantly fulfilling all scheduled tasks, the 7-day Eighth Shandong Provincial Trade Union Congress came to a successful end at the Dongjiao Auditorium on the morning of 26 February.

During the session, all representatives conscientiously studied and discussed Comrade Su Yiran's important speech delivered on behalf of the provincial CPC Committee and discussed and examined Comrade (Zheng Gan's) work report delivered on behalf of the Seventh Shandong Provincial Federation of Trade Unions. On the basis of holding full discussions and consultations, the congress elected the Eighth Shandong Provincial Federation of Trade Unions.

The closing ceremony was presided over by (Chen Meilan), executive chairman of the congress. Responsible comrades of the Shandong Provincial CPC Committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial People's Congress Standing Committee, the provincial People's Government, the provincial CPPCC Committee, the Jinan PLA units, and the Shandong Provincial Military District, including Su Yiran, Liang Buting, Lu Maozeng, Li Zhen, Jiang Chunyun, Yang Xingfu, Yang Yanyin, Cui Weilin, Zheng Weimin, Xu Shulin, Gao Keting, Wang Zhongyin, Qin Hezhen, Liu Peng, Li Zichao, Xu Meisheng, (Zhang Zhi), Lin Ping, and Liu Yude, attended the closing ceremony.

The congress announced the namelists of the Standing Committee members, chairman and vice chairmen of the Eighth Shandong Provincial Federation of Trade Unions, and of the chairman and vice chairmen of the commission for checking on funds of the Eighth Shandong Provincial Federation of Trade Unions, and adopted a resolution on the work report of the Seventh Shandong Provincial Federation of Trade Unions and a resolution on the financial work report of the Seventh Shandong Provincial Federation of Trade Unions. (Ma Rongsi), vice chairman of the Shandong Provincial Federation of Trade Unions, delivered a closing address.

SHANGHAI PEOPLE'S CONGRESS TO HOLD SESSION 25 MAR

OW261113 Shanghai City Service in Mandarin 2300 GMT 24 Feb 84

[Text] The second session of the Eighth Shanghai Municipal People's Congress will be convened 25 March 1984. This has been decided by the eighth meeting of the Eighth Shanghai People's Congress Standing Committee, which opened on 24 February. Chairman Hu Lijiao and Vice Chairman Shi Ping of the municipal People's Congress Standing Committee respectively presided over the morning and the afternoon sessions. Vice Chairmen Zhao Zukang, Chen Yi, He Yixiang, Di Jingxiang, Wang Tao, Liu Jingji, Wu Ruolan, and Tan Jiazhen attended the meeting. Vice Mayors Zhu Zongbao and Ye Gongqi, President Hua Liankui of the Shanghai Municipal People's Higher Court, and responsible persons of the municipal commissions, offices, and bureaus concerned and of all the district and county people's congress standing committees attended the meeting as observers.

The meeting examined and approved the 1983 municipal plan on the output, profits, and funds of some products and the reports on financial revenues and expenditures and on the budget and adopted relevant resolutions on the plan and the reports.

The meeting heard and approved a report by (Zhou Ke), chairman of the Credentials Committee under the municipal People's Congress Standing Committee, on the deputies and the qualifications of the additionally elected deputies, confirming the validity of the qualifications of the nine newly elected deputies to the Eighth Shanghai People's Congress. The meeting also discussed and approved a work report by the municipal People's Congress Standing Committee.

The meeting will continue on 25 February.

SHANGHAI CHURCHES TO BE RETURNED TO OWNERS

OW232323 Shanghai City Service in Mandarin 1100 GMT 22 Feb 84

[Text] A number of Shanghai temples, monasteries and churches that are relatively well known both at home and abroad will be returned to their original owners during this year. Religious believers were very pleased to hear this news, which a station reporter also learned about today from the enlarge 10th Presidium Meeting of the 6th Shanghai Municipal CPPCC Committee.

In the second half of last year the municipal CPPCC Committee set up an inspection team to check on the implementation of religious policy. The team inspected a number of temples, monasteries and churches in Shanghai that had not been returned to their original owners. The inspection has helped solve many related longstanding, big and difficult problems.

According to preliminary statistics, Catholics have retrieved the (Dongjiadu) Catholic Church, office buildings of the Nanshi District Patriotic Catholic Association, the (Zheshan) Catholic Church, the (Waiyin) (?cemetery) and some of the office buildings of the Xuhui District Patriotic Catholic Association. Christians have taken back the Huairen Baptist Church annex, most of the office buildings of the national (Sansi) Church and the Yesu Hall in Songjiang County.

Buddhists have retaken Longhua Temple, Yufu Temple and part of Jingan Temple. Muslims have retrieved the remaining part of the Xiaotaoyuan Monastery, the Zhaojiabang Mosque and part of the Songjiang Mosque. Taoists have taken back part of (Baiyindan) Temple.

Agreements have been reached between religious organizations and the present users of most of the temples, monasteries and churches that have not been returned to their owners. According to these agreements, most of the buildings will be returned to their owners in the first half of this year while Jingan Temple will be turned over to its original owner by the end of this year.

GUANGXI COMMENTARY URGES EXTENDING LAND USE PERIODS

HK280803 Nanning Guangxi Regional Service in Mandarin 1130 GMT 25 Feb 84

[Station commentary: "Perfect the System of Land Contracts, Extend Contract Lease Periods for Land"]

[Excerpt] We have to solve many problems when stabilizing and perfecting the system of contracted responsibilities on the household basis with payment linked to output. However, the focal point is that we should perfect the land contract system, extend the contract lease periods for land, and encourage peasants to increase their investment, improve soil fertility, and practice economical management.

The Central Document No 1 has stipulated that generally speaking, the contract lease period for land should cover a period of more than 15 years. The contract lease period for land used for long-cycle and developmental production should cover a longer period, as its production cycle is generally longer and it requires rather large amounts of work and investment. The contract lease for mountain slopes should generally cover a period beyond 30 years. Furthermore, they can be inherited, while the ownership of forests can be transferred at the market price.

Why is it that the extension of contract lease periods for land is the focal point for stabilizing and perfecting the production responsibility system? This is because land is the most basic means of production in agricultural production as well as a basic condition in the activity in which most of the peasants engage, and one on which they depend for existence at a time when commodity production is not yet very developed. Once the contract lease period for land has been perfected, the system of contracted responsibilities with payment linked to output can have a solid foundation. Thus, the worries of peasants who are not bold in putting in work and investment, fearing that the policy will be changed some day, will be dispelled, and production initiative will be given full play.

Some people are worried that the extension of contract lease periods for land will encourage the mentality of private ownership and will become actual private ownership in land. They are worried that this will shake the ownership system of the basic means of production, and bring obstacles to land readjustment in the future.

Their worries are not necessary. We all know that the contract peasant households can only have the right of land use rather than proprietary rights. This year's Central Document No 1 has clearly stipulated that private and contract plots may not be bought or sold, leased, changed into residential bases, or transformed into bases for other nonagricultural uses. This has basically guaranteed the ownership system of land. At the same time, peasant households do not have the absolute right of use of land even within the contract period. They are constrained by the conditions of the ownership system, and their production and business should be conducted in line with the instructions of national planning.

In the region, 98.96 percent of the production teams have implemented the system of contracted responsibility on the household basis with payment linked to output. Some of them have implemented the system rather early, 2 to 3 years ago, while some started the system only a year ago. The contract lease period for land among most of the production brigades is 3 years, while the contract period of a few teams is 5 years. Quite a number of production teams' contract periods will expire this year.

Facts over the past few years have shown that long contract periods have more advantages than short ones. First, the people's hearts are relatively at ease. People are relatively unworried that the policy will be changed. Second, it is favorable for encouraging the contractors to put work and investment in land, to improve the soil, to cultivate soil fertility, to set up farm land capital construction, and to avoid engaging in exploitative production. Third, it is favorable for the production principle of integrating long-term planning with short-term planning.

MAO ZHIYONG, OTHERS MEET HUNAN KMT MEMBERS

HK280617 Changsha Hunan Provincial Service in Mandarin 2310 GMT 27 Feb 84

[Text] Mao Zhiyong, first secretary of the Hunan CPC Committee, Jiao Linyi, secretary of the provincial CPC Committee, Sun Guozhi, chairman of the Standing Committee of the Provincial People's Congress, and Cheng Xingling, chairman of the provincial CPPCC, yesterday afternoon met representatives of the Eighth Congress of the provincial Revolutionary Committee of the KMT at the Hunan Guest House, and were photographed with all the representatives.

Also present were people responsible for the provincial CPC Committee, the Preparatory Group of the Provincial Advisory Committee, the provincial Planning Commission, the provincial People's Congress Standing Committee, the provincial People's Government, the provincial CPPCC, and departments concerned. They were: Shi Xinshan, Wang Zhiguo, Guo Sen, Wu Zhiyuan, Liu Yanan, (Yang Bihu), (Tong Ying), (Yang Minde), (Chen Xiaochan), Cao Guozhi, (Zhang Yaqing), and so on. People responsible for the provincial Revolutionary Committee of the KMT, (Xu Jinhu), (Ming Meiyu), (Lao Gongwu), (Wen Yuyi), (Cai Qichai), (Tan Jizji) and (Zhou Wuyi), a veteran of the 1911 Revolution, and others were also at the meeting.

GUIZHOU DEVELOPING AS ELECTRIC POWER CENTER

OW282114 Beijing XINHUA in English 0759 GMT 28 Feb 84

[Text] Guizhou, February 28 (XINHUA) -- Guizhou Province, still one of the most economically backward areas in China, is now developing into a major electric power center for southwest China, which encompasses Sichuan and Yunnan Provinces and Tibet Autonomous Region as well. Guizhou ranks among the top few in China in known waterpower resources and coal reserves, according to Vice-Governor Zhou Yansong.

One of the major power projects now under construction is the Tianshengqiao Hydroelectric Power Station on the Hongshui River, projected for an eventual generating capacity of 2.4 million kilowatts. Another one on the Wujiang River will have generating units of 510,000 kilowatts.

By the year 1990, Zhou said, eight power stations will have been built at different heights along the Wujiang River. These will have a combined generating capacity of 4.4 million kilowatts.

Two existing major thermal power plants are being expanded and two new ones have been planned.

Mountainous Guizhou last year produced 6.8 billion kilowatt-hours of electricity, of which 740 million were supplied to Sichuan and Yunnan, said Vice-Governor Zhou, who is an expert on electric engineering. Treacherous terrain has been blamed for holding back Guizhou's economic development, especially its agricultural development. Despite rapid increases achieved in recent years under the new policy of encouraging rural prosperity, income for Guizhou peasants is still less than for those in most other provinces.

Nevertheless, Zhou said, high mountains and deep gullies favor building of power projects. They eat up less farmland and cost less money to build, he added.

SICHUAN'S PEOPLE'S CONGRESS MEETING BEGINS

HK280653 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 27 Feb 84

[Text] The Fifth Session of the Sixth Sichuan Provincial People's Congress Standing Committee opened yesterday [27 February]. The main items of the session were: listen to a report by Vice Provincial Governor Liu Chunfu on supporting rural specialized households to develop commodity production; listen to a report by (Zhang Zhigong), director of the provincial office on election at county and township levels, on the situation concerning the elections at county and township levels in the province; examine and approve regulations made by the Liangshan Autonomous Prefectural People's Congress on election law; listen to a report by the general office of the provincial People's Government on the handling of criticism, suggestion, and complaints raised by delegates of the first session of the sixth provincial People's Congress; and other matters.

Yesterday's plenary session was presided over by Du Xinyuan, chairman of the provincial People's Congress Standing Committee. Vice Provincial Governor Liu Chunfu made a report entitled: Continue To Stabilize and Perfect the Responsibility System With Contract Linked to Output in Agricultural Production and Vigorously Support Specialized Households To Develop Commodity Production.

Attending yesterday's session were vice chairmen of the provincial People's Congress Standing Committee, Qin Chuanhou, Zhang Xiushu, Liu Ziyi, Peng Dixian, Ma Shitu, Ji Chunguang, Meng Dongbo, Liu Yunbo, Liu Haiquan, Liu Xilin, and Zhaxi Zeren. Ren Lingyun, president of the provincial People's Higher Court, and Gao Zhenzhong, chief procurator of the provincial People's Procuratorate, attended the session as non-voting delegates.

Also attending the session as non-voting delegates were responsible comrades of the people's congresses from Chengdu, Chongqing, Zigong, Dukou, Luzhou, and Deyang Cities; Ganzi, Aba and Liangshan Autonomous Prefectures; 31 counties and districts including Tujiang and Nanxi; and from relevant provincial departments.

CELEBRATION OF TIBETAN NEW YEAR IN XIZANG NOTED

OW282038 Beijing XINHUA in English 1622 GMT 28 Feb 84

[Text] Lhasa, February 28 (XINHUA) -- The Tibetan New Year was celebrated at a gathering in Lhasa yesterday attended by local party and government officials and Tibetans who have returned from abroad. Fifty representatives of the Tibetan returnees took part in the celebration, which was attended by a total of 300 people. The Tibetan New Year falls on March 3 this year.

Songs and dances and Tibetan operas were performed for the occasion.

According to the committee to receive Tibetan returnees, nearly 2,000 people have visited or resettled in Tibet since 1979.

Samding Doje Pamo, vice chairman of the Tibet Regional Committee of the Chinese People's Political Consultative Conference, praised those who returned to visit or settle in their homeland. He said he hoped that Tibetans still living abroad would come back soon to build their homeland together with their countrymen.

BEIJING WRITERS DISCUSS HU QIAOMU'S ARTICLE

OW290735 Beijing XINHUA Domestic Service in Chinese 0749 GMT 28 Feb 84

[By reporter Zhu Suhsin]

[Text] Beijing, 28 Feb (XINHUA) -- The Beijing Chapter of the Chinese Writers' Association recently organized two forums to study Hu Qiaomu's article "On Humanism and the Question of Alienation." Keeping in mind the actual situation in literature and art, those attending the forums freely talked about their personal experiences and what they had learned in studying this article. At the same time, they also made factually-based and comradely criticism and self-criticism. They voiced their determination to restudy Marxism, and to guide their creative writing with historical materialism, in order to promote the further blossoming of socialist literature.

During the discussions, writers dealt with their understanding of this article in two aspects: First, this article was published in a timely way; and second, it convinces people through its incisive reasoning. Veteran writer Lei Jia and Lin Jinlan said: As quite a few comrades in literary and art circles have vague, or even incorrect, ideas about humanism and the question of alienation and, as differences have arisen over the orientation for literary and artistic creation, Hu Qiaomu's article has brought us historical materialism, which is helpful in distinguishing right from wrong, theoretically and ideologically. Veteran writer Duanmu Hongliang said: Applying historical materialism and basing itself on actual conditions on our country's ideological front and in our society, this article analyzes and answers questions, which people fully understand and accept. I have read the article again and again; the more I have read it, the more clearly I have understood it.

Writer Deng Youmei said: With vague ideas about the question of what the motive force of the progress of human society is and, without giving consideration to specific social relations and conditions in social development, some comrades discuss theoretically and depict, in their literature and art, "human nature," "man's intrinsic quality," "man's value," and "man's freedom," and even generalize human history as that of alienation in human nature and of the return of man to himself. It is under the influence of such an idealist conception of history that a small number of comrades in the literary and art circles have written some works with grave erroneous tendencies. Comrades in the literary and art circles should bear this lesson firmly in mind.

Writer Liu Shaotang said: As a result of ignoring their study of Marxism over a long period, some comrades engaged in creative writing are unaware of confusion and errors exist in their world outlook and guiding ideology. This is the erroneous tendencies have occurred in their creative writing. In their works, some comrades are fond of depicting, or giving expression to, abstract man and abstract humanism. Some works, with the "Great Cultural Revolution" or reality as their theme, sum up the occurrence of the 10 years of domestic turmoil, and some present shortcomings and malpractices as alienation. Furthermore, some literary works even go so far as to present exaggerated plots and fabricate characters and stories in an attempt to give expression to abstract humanism, or to advocate the viewpoint of alienation. Such phenomena indicate that, if writers and artists are not armed with the materialist conception of history and are not good at applying historical materialism to observe society and analyze characters, they will go astray in their literary and artistic creation, so that their works will be fundamentally contrary to reality.

In their discussion, many writers pointed out that literary and art workers should not only criticize bourgeois humanism, but also assume the task of publicizing and promoting socialist humanism. This is of practical and immediate significance today.

The writers all pointed out: In the past several years, erroneous tendencies of publicizing bourgeois humanism existed in the literary and art circles. On the other hand, owing to unscientific criticism of humanism in the latter part of the 1950's, some writers are afraid of touching socialist humanism. In his article, Hu Qiaomu has clearly defined humanism from the world outlook and concept of history and its relationship to ethical principles and norms of morality. He also asked writers and artists to vigorously publicize socialist humanism in their works. His article has enabled writers and artists to have a better theoretical understanding, and further liberate their thinking. It has also set new tasks for writers and artists in their creative endeavors.

In our literature and art, we should enthusiastically describe our revolution, our socialist society and our concern, respect, sympathy, friendship, and love for people. We should portray genuine human nature, human feelings, patriotism, a sense of righteousness, and the personal dignity of the common people. We should give full play to the social role of literature and art and conduct ideological and moral education for the people on socialist humanism and moral principles, with education on communism as the core.

The writers said: Comrade Hu Qiaomu's article has provided us with a timely ideological and theoretical weapon to clear away spiritual pollution. It is also our weapon for carrying out criticism and self-criticism.

Writer Li Tuo, in the two discussion meetings, earnestly made self-criticism concerning his erroneous viewpoint in an article he wrote 2 years ago on socialist alienation. He said: My acceptance, to a certain extent, and advocacy of the erroneous viewpoint of socialist alienation were mainly due to the fact that I did not adequately study Marxist theory, and due to my lack of understanding of those erroneous viewpoints in vogue. He pledged that he would conscientiously study Marxism in order to raise his ideological and theoretical level.

The writers taking part in discussions are all convinced that, through studying Hu Qiaomu's article, they have not only heightened their understanding, but also raised their consciousness and sense of urgency in studying Marxist theory. They pledged that they would conscientiously and systematically study Marxism again in the light of social practice, their own thinking and creation, in order to promote a healthy development of socialist literature and art.

HEBEI SECRETARY DISCUSSES 'UNHEALTHY' TENDENCIES

HK281116 Beijing RENMIN RIBAO in Chinese 23 Feb 84 p 4

[Article by Xing Chongzhi, Secretary of the Hebei Provincial CPC Committee: "Adhere to Principles and Bravely Crack Hard Nuts in the Course of Rectifying Unhealthy Tendencies"]

[Text] Rectifying unhealthy tendencies is one of the four tasks in overall party rectification. The CPC Central Committee decision on party rectification points out that unhealthy tendencies and decadent habits of some party members and party cadres are "seriously disruptive to socialist modernization, seriously harm the image of the party among the people, weaken the faith of party members and the masses in the superiority of the socialist system and in the glorious future of communism, and dampen their enthusiasm for politics and their initiative in production, work, and study. In the current party rectification, we must make up our minds to solve this problem and must resolutely eradicate these unhealthy tendencies." Over the past few years, we have done a great deal of work in correcting party style, and we have achieved certain successes. However, we should work harder to realize a fundamental change for the better in party style.

Experience has revealed to us that in correcting unhealthy tendencies, leaders must adhere to principles and be brave in cracking hard nuts. Otherwise, they will not be able to overcome "leftist" or rightist interference, break away from "personal relationships" and the habit of "interceding for friends," correct unhealthy tendencies, and solve the problem of violating law and discipline.

To be able to adhere to principles and bravely crack hard nuts, we must exert ourselves, have a good perception of the situation, be courageous, have a correct attitude toward policies, and be strict on ourselves.

1. Exerting ourselves means that we must place the interests of the party and people above everything else, serve the people heart and soul, take correcting the party style as our own sacred task, and be staunch fighters who can safeguard party discipline and correct party style. We must be brave, not only in solving the problem of violating law and discipline among our relatives and friends, but also in examining the conduct of leading cadres at various levels who violate law and discipline. In particular, we must be brave in examining unhealthy tendencies among members of party committees to which we belong. We must exercise strict discipline over those who violate party policy and principles, those who violate socialist principles and communist morality, party members who violate the requirements for party members, those who weaken and undermine the combat effectiveness of party organizations, and those who infringe upon the interests of the state and the masses.

2. Having a good perception of the situation means that we must know the facts clearly. Facts are the basis for handling problems, as well as the foundation for doing things in a realistic manner. If we do not have a good perception of the situation or if we do not know the facts clearly, we will not be able to make up our minds to crack hard nuts or we will make mistakes as soon as we try to crack hard nuts. Only when we have a good perception of the situation, will we be resolute and achieve good results. Therefore, we must have a scientific and realistic attitude. We must investigate each case profoundly and must have first hand material. Now a fundamental change for the better in party style has not been realized, so it is not easy to investigate a person's problems or a case clearly, and it will be even harder to investigate accurately. Here, we are required to collect opinions from various sectors in a down-to-earth manner. When we say that we must clearly and accurately know the facts, we mean that we must clearly and accurately know the principal facts relevant to the persons whose case will be handled.

3. Being courageous means that we must be fearless in correcting unhealthy tendencies. In the struggle against unhealthy tendencies, we will certainly meet with all kinds of difficulties and obstacles, and might even take risks and pay high prices. Here, we are required to be selfless and fearless and to have the spirit of "five not-afraid's," which means not being afraid of offending others, not being afraid of complaints, not being afraid of retaliation, not being afraid of losing votes, and not being afraid of even losing one's life.

4. Having a correct attitude toward policies means that we must follow party policies in anything we do. Cracking hard nuts must be done under the guidance of party principles and policies. To strictly observe party principles and policies in anything we do, we must persist in handling problems in a realistic manner. We must not keep silent about major charges while admitting to minor ones because of relatives, friends, or leading cadres, nor must we treat persons differently who have prejudices against us. This is an important standard for measuring party style. Zhuge Liang understood the principle of "passing judgment on people according to their specific conditions."

We should be able to do better in handling problems impartially. We must handle problems accurately and appropriately and must not leave any aftereffect to guarantee that each case we have handled can stand the test of history.

5. Being strict on ourselves means that cadres of party committees and discipline inspection departments must be good examples of correcting party style and safeguarding party discipline. An old saying goes: In correcting others, one must correct oneself first. If you want others to correct party style while you yourself are indulging in unhealthy tendencies, who will listen to your words? If you do not examine and correct your unhealthy conduct, how can you fearlessly correct others' unhealthy conduct? Therefore, cadres of party committees and discipline inspection departments must not indulge in unhealthy tendencies, must not harm the interests of the state or the masses, must not try to build abnormal relationships with each other, and must not spare the sensibilities of higher authorities. Comrades who have unhealthy conduct are required to examine and correct their conduct to gain the trust of party members and the masses.

SHANXI ISSUES PARTY RECTIFICATION REGULATIONS

HK290343 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 27 Feb 84

[Text] Following is the full text of the eight disciplinary regulations issued by the provincial CPC Committee, which must be observed by party members in conducting party rectification. In order to ensure smooth progress in the province's party rectification work and to accomplish the task in an all-round way, party members must strengthen party spirit and strictly observe the following disciplinary regulations while conducting party rectification:

1. Party members must conscientiously implement the decision of the CPC Central Committee on party rectification. We must act strictly in accordance with the basic principle, policy, tasks, and method of the party rectification decision. We must guard against deviation from the decision of the CPC Central Committee, and distortion of the principle and policy of party rectification. We must actively participate in party rectification. We must not perform our duty in a perfunctory manner, and must not refuse to take part in party rectification under any pretext. Members of the party must conscientiously and correctly carry out criticism and self-criticism according to the party Constitution and standards, as well as the requirements of the decision of the CPC Central Committee on party rectification. We must strictly analyze ourselves ideologically, and be bold in resolutely and profoundly carrying out self-criticism on our own weak points and defects in a down-to-earth manner. We must listen to people's criticisms with an open mind. We must be bold in criticizing and struggling against problems in the party. We must not take a liberal attitude or deal with our defects overleniently. We must not refuse criticism, suppress democracy, or retaliate. We must not speak or act on hearsay evidence, exaggerate things, bear resentment against someone or retaliate, or punish someone by taking advantage of an opportunity.

3. Any party member who has made mistakes should voluntarily and actively turn himself in to the organization for investigation, and must conscientiously make corrections. He is not allowed to conceal or persist in his mistakes. Nor is he allowed to employ tricks, or reach any agreement with others to shield another, or to hide, move away, or destroy evidence.

4. The party members must have a high sense of responsibility to the party. The members should voluntarily and actively take part in the work of purifying the party organizations. Regarding the people of three categories and all those people who resolutely oppose and endanger the party, we must be bold in exposing them, and actively cooperate with organizations which will investigate and verify them. Acts of concealing what one knows of a case or bearing false witness are prohibited. Nor is it allowed to harbor them or cover up their deeds.

5. The party members must uphold party spirit and oppose factionalism in the work of weeding out people of three categories. It is not permitted to handle the work under the influence of personal feelings, to determine the nature of a case before asking for material, or to obtain confessions by force and to give them credence. Nor is it permitted to screen people in isolation from the masses, or to involve their families and friends in their cases.

6. The party members must uphold the organization principle of the party, and uphold and protect the leadership of the party organizations and party committees over the party rectification work. No member is allowed to carry out non-organization activities, nor is he allowed to spread factionalism, gang up, or support one section of people in attacking another. Nor is he allowed to invent a story, distort facts, or frame people.

7. The party members must strictly implement the security system. No member is allowed to indiscriminately release the secrets of the party and the state to people either inside or outside the party.

8. The party members must report to actual situation of party rectification. No member is allowed to conceal facts or invent a story.

The whole body of party members must strictly observe the above-mentioned disciplinary regulations. In particular, leading party-member cadres must play an exemplary role and act voluntarily in observing the regulations. Party organizations and discipline inspection departments at all levels must supervise and do their best to implement them. Those party members who set an example in observing the regulations should be awarded. Those party members who commit minor offences and violate the regulations should be promptly educated, while those who commit serious offences should be given disciplinary measures or even expelled [kaichu] from the party.

JILIN SECRETARY SETS AGRICULTURAL TASKS

SK280524 Changchen Jilin Provincial Service in Mandarin 1030 GMT 27 Feb 84

[Text] This afternoon, Comrade Zhao Nanqi, secretary of the provincial CPC Committee, delivered a speech on the strategic objective for agricultural development at the first provincial symposium on agricultural development strategy, in which he set forth 10 specific tasks.

The first provincial symposium on agricultural development strategy opened in Changchun yesterday. Some 180 agricultural experts, and agricultural scientific and technical workers from various departments, units, branches of learning, and specialties carried out academic exchanges and probed into the question of how to further determine our province's agricultural development orientation tasks, and major strategic measures.

In this afternoon's speech, Zhao Nanqi, secretary of the provincial CPC Committee, first reviewed our province's excellent situation in achieving rapid agricultural development since the third plenary session, and summed up experience in devising strategic plans for agricultural development. He then said: We have long been influenced by the ideology of the small-scale peasant economy and we lack the ideology of operating modern socialist large-scale agriculture. While utilizing natural resources, we have concentrated our attention mainly on limited arable land and on carrying out only one-crop farming, and have neglected the development and utilization of natural resources. The proportions of the agricultural sectors are imbalanced. We have given blind guidance in production and lack an overall development plan which suits our province's actual situation.

Comrade Zhao Nanqi also pointed out in his speech: Our province's general strategic ideology for agricultural development should be: On the basis of maintaining and creating a good ecological environment, we must further readjust the agricultural economic structure, give full play to the superiority of agricultural natural resources, and adopt effective measures to change the superiority of agricultural resources to the superiority of products, commodities, and the economy as soon as possible. We must vigorously raise the level of agricultural productive forces and the livelihood of peasants and build a civilized and wealthy new countryside with a well-developed commodity economy, smooth circulation channels, scattered small towns and cities, cooperations between towns and cities, and comprehensive development in agriculture, industry, and commerce.

In his speech, Comrade Zhao Nanqi set forth 10 specific tasks for achieving the strategic objective of agricultural development. These 10 tasks include establishing a marketable grain base centralizing on the Songliao Plain; establishing a forestry base centralizing on Changbai Shan; making full use of the western grassland, the eastern grass hills and slopes, and rural farm and sideline produce to develop animal husbandry; establishing a cash crop base; establishing a fruit producing base; making use of the animal and plant resources on the eastern mountainous areas to establish a native and special products and medicinal herb base; making full use of the existing water surface to develop fresh water fishery; maintaining a good ecological environment; vigorously developing cooperative industry in the rural areas; and establishing a rational agricultural structure.

Ending his speech, Comrade Zhao Nanqi called on all localities to devise an overall agricultural development plan which suits the actual local situation to strengthen agricultural capital construction, to continue to improve conditions for agricultural production, to further intensify agricultural science and technology and educational work, to realistically clear and smooth the circulation channels of farm and sideline produce, to exert efforts to grasp agriculture, animal husbandry and industry, and to strive to transform, as soon as possible, our self-supporting and semi-self-supporting economy into large-scale commodity production, one-crop farming into diversified undertakings, the vicious ecological cycle into a good one, and administrative management into organizing production in line with economic law.

LIAONING'S GUO FENG AT ADVISORY COMMISSION TALKS

SK250449 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 24 Feb 84

[Text] The north and northeast group of the Central Advisory Commission held its first meeting in Shenyang from 20 to 24 February. Huang Zhen, member of the Central Advisory Commission, made a special trip to Shenyang to attend the meeting as an observer on behalf of the Standing Committee of the Central Advisory Commission.

At the opening of the meeting he reported on the letter from the Standing Committee of the Central Advisory Commission to the comrades stationed in its north and northeast group. The letter reads: Entrusted by Comrade Hu Yaobang, Comrade Huang Zhen conveys the gratitude of the Standing Committee of the Political Bureau of the CPC Central Committee to the comrades of the Central Advisory Commission stationed in various provinces, cities, and autonomous regions in north and northeast China, and also conveys to comrades here the regards of the Standing Committee of the Central Advisory Commission. In 1984, the first year in carrying out party rectification, it is hoped that veteran comrades will play their proper role in carrying out party rectification.

The comrades participating in the meeting expressed their heartfelt gratitude for the concern and encouragement of the CPC Central Committee and pledged that they will never let the CPC Central Committee down. The veteran comrades participating in the meeting conscientiously studied the CPC Central Committee's documents on party rectification, briefed each other on the situation of various localities, and conscientiously discussed the issues aiming at studying the documents well, unifying thinking, making corrections in the course of rectification, ferreting out the three types of persons, implementing policies, carrying out administrative restructuring, and reorganizing leading bodies. Then they raised many good suggestions and opinions. They also exchanged information on the situation of the economic work in various localities and exchanged opinions concerning the way members of the Central Advisory Commission stationed in various provinces and cities could serve as good advisers and assistants.

Participating in the meeting were Huo Shilian, Luo Guibo, Ting Mao, Yan Dakai, Guo Feng, Huang Oudong, and Song Li, members of the Central Advisory Commission. Comrades Li Youwen, Gao Yang, and Kui Bi had asked for leave due to sickness or personal affairs. The meeting was presided over by Huang Oudong and Song Li.

Visiting the meeting's participants during the session were Dai Suli, Li Tao, Sun Weiben, Su Shaofu, Shen Yue and Zhang Xincun, leading comrades of the Liaoning CPC Committee and the provincial Advisory Commission and Li Huang, former secretary of the provincial CPC Committee.

LIAONING MARKS SOVIET ARMY DAY 23 FEBRUARY

SK240325 Shenyang Lianoning Provincial Service in Mandarin 1030 GMT 23 Feb 84

[Text] This morning, the Liaoning Provincial and Shenyang City People's Governments, the provincial branch of the Sino-Soviet People's Friendship Association, and the Shenyang City branch of the Chinese People's Association for Friendship With Foreign Countries laid wreaths in front of the memorial monument and graves of the Soviet Red Army officers and fighters on the occasion of the 66th anniversary of the founding of the Soviet Army, which falls on 23 February. The ribbons on the wreaths expressed eternal glory to the Soviet Red Army martyrs who sacrificed their lives during the war against fascists.

Attending the wreath-laying ceremony were Zhang Zhiyuan, deputy governor of the province, Zhang Hongjun, deputy mayor of Shenyang City, (Sui Shizhong), responsible person of the provincial branch of Sino-Soviet People's Friendship Association, and responsible comrades of the departments concerned.

Leading comrades from the Dalian City People's Government and the Dalian City branch of the Sino-Soviet People's Friendship Association also laid wreaths in front of the memorial tower of the Soviet Red Army martyrs at Stalin Plaza of Dalian City, and at the Soviet Red Army martyrs' cemetery in the Lushun harbor district.

LIAONING PEOPLE'S CONGRESS MEETING ENDS 25 FEB

SK260600 Shenyang Lianoning Provincial Service in Mandarin 1030 GMT 25 Feb 84

[Text] The fifth Standing Committee meeting of the sixth Liaoning People's Congress, which was concluded on the afternoon of 25 February, examined and adopted the decision on opening the Second Session of the Sixth Liaoning People's Congress and the resolution on establishing the Credentials Committee. The meeting decided to open the Second Session of the Sixth Liaoning People's Congress on 23 March 1984 in Shenyang.

The main items on the agenda of the upcoming congress session, which was proposed by this meeting, will be: 1) hearing and examining the work report of the provincial People's Government; 2) examining and approving the 1984 plans for provincial economic and social development, the 1983 final financial accounts and the 1984 budget; 3) hearing and examining the work report of the provincial People's Congress Standing Committee, the work report of the provincial People's Higher Court and the work report of the provincial People's Procuratorate.

The meeting examined and adopted the province's stipulations on protecting the legitimate rights and interests of women and children, approved in principle the two local rules -- soon to be implemented on a trial basis -- that are included in the provincial regulations regarding the control of food hygiene among foodstuff traders and trade markets, examined and approved some personnel changes at labor reform farms, labor re-education brigades and procuratorates. The meeting also listened to the report made by the provincial People's Government with regard to the handling of motions raised by the First Session of the Sixth Liaoning People's Congress.

The meeting was presided over by Xie Huangtian, vice chairman of the provincial People's Congress Standing Committee. Attending the meeting were Liu Wen, Lou Erkang, Fu Zhonghai, Tang Hongguang, Gu Jingxin, Liu Zenghao, Liu Peng and Feng Yousong. Attending as observers were Zuo Kun, deputy governor of the province; Shi Xiaotan, president of the provincial People's Higher Court; and Cai Enguang, chief procurator of the provincial People's Procuratorate.

ARTICLE DENOUNCES 'TAIWAN INDEPENDENCE' ACTIVITIES

HK290640 Beijing BANYEUTAN in Chinese No 2, 25 Jan 84 pp 12-14

[Article by Yuan Quangqiang: "Unity Brings Peace, A Split Leads to Danger -- A Talk on the Harm Caused by 'Taiwan Independence' Activities"]

[Text] At the New Year's tea party of the CPPCC National Committee, Comrade Deng Yingchao delivered a speech, which expressed an ardent hope for the Taiwan people to make contributions to the peaceful reunification of the motherland. At the same time she also pointed out: "The activities of a handful of people in Taiwan for the so-called 'Taiwan independence' have gone against the will and the interests of the people in Taiwan, and run counter to the interests of the motherland's reunification and national unity. As for relations between Taiwan and the mainland, unity brings peace, while a split leads to danger. This is a cardinal principle concerning our nation's interests as well as an objective truth known to all. The Chinese people on both sides of the Taiwan Strait have been separated for dozens of years. At this late hour, anyone who persists in obstructing the country's reunification will be unworthy of both his ancestors and his descendants." This statement by Comrade Deng Yingchao has expressed our party and government's consistent principled stand of opposing "Taiwan independence" activities, and is of great and immediate significance for uniting the vast number of Taiwan compatriots and promoting the peaceful reunification of the motherland.

The "Taiwan independence" movement has existed for more than 30 years. At its initial stage, the movement was based in Japan. Since the mid 1960's it has been located in the United States. At present, a number of major "Taiwan independence" organizations are headquartered in the American cities of Irvington, New Jersey, Washington, and New York. Some influential and powerful figures in the United States, including some congressmen and government officials, have openly supported "Taiwan independence" activities. Echoing the nonsense of the "Taiwan independence" activists, they openly preach that "Taiwan's status is still undetermined" and allege that "the principle of self-determination for Taiwan must be reiterated" and that "Taiwanese people should have the freedom to choose their future." Not long ago the U.S. Senate Foreign Relations Committee adopted a so-called resolution on "Taiwan's future." Before the relevant motion was passed, some "Taiwan independence" activists were even invited to give testimony at Senate hearings. The prime movers behind the motion boosted the arrogance of the "Taiwan independence" activists and more flagrantly interfered in China's internal affairs by clamoring that "Taiwan does not belong to China" and that "Taiwan is a country independent of China."

By openly supporting "Taiwan independence" activities, the purpose of these powerful and influential American figures is to try to realize their ambition of occupying our country's sacred territory Taiwan forever. "Taiwan independence" activists cherish the wishful thinking that they can realize the so-called "Taiwan independence" by relying on foreigners' support, but their efforts could only once again reduce Taiwan to the status of a colony of a foreign country. Historically Taiwan was ruled by the Netherlands for 22 years and by the Japanese for 55 years. The Taiwan compatriots have had their fill of being enslaved by foreigners and being "second-class citizens," and they will never allow foreigners to ride over them again. Precisely because the "Taiwan independence" activities run against the will and interests of the people in Taiwan and violate the interests of the motherland's reunification and national unity, these activities have encountered wide opposition from Taiwan compatriots.

According to a survey by a reporter of the Taiwan newspaper CHUNG KUO SHIH PAO in January last year, the 35 administrative chiefs of townships and towns in Taiwan, who were interviewed by the reporter, unanimously opposed the theory of "separatism" and the proposals raised by a small number of "Taiwan independence" activists. They held that "the people on both sides of the Strait are related by blood, so Taiwan and the mainland cannot be separated" and that "China not only should be reunified, but must be reunified." According to the report, these 35 township administrative chiefs live in all parts of the island, so "they represent local public opinion to a considerable extent and their views reflect the wishes of the masses of the grassroots level."

Admittedly, some people have indeed been influenced by the thinking of "Taiwan independence." In Taiwan and in foreign countries, some Taiwan compatriots are discontented with KMT rule and long for a form of self-rule. Besides, the prolonged separation of Taiwan from the mainland of the motherland and the KMT's anticommunist propaganda have made them unable to understand the real situation on the mainland. Thus, the "Taiwan independence" proposal sounds more attractive to them. However, these Taiwan compatriots are different from those who advocate "Taiwan independence," and a strict line of demarcation should be drawn between these two different categories of people. Our party and government have always adopted a policy of unity and education toward the Taiwan compatriots who have been influenced by the idea of "Taiwan independence," and have always warmly helped them to understand the motherland. Even if some people have advocated "Taiwan independence," we should still try by all possible means to help them correct their course and return to the correct position of identifying themselves with the motherland and agreeing with the motherland's reunification.

In order to maintain their ruling position in Taiwan, the KMT authorities have adopted a policy of cracking down on the "Taiwan independence" movement. What they have done may achieve some temporary results, but they cannot thoroughly uproot the "Taiwan independence" activities. Moreover, the Taiwan authorities often clamp down on the Taiwan compatriots' democratic movements and treat these movements as a manifestation of the "Taiwan independence" movement. This only results in intensifying the social contradictions in Taiwan rather than eliminating the "Taiwan independence" movement, and even creates some new conditions for "Taiwan independence" activities and their foreign supporters to maneuver. If the Taiwan authorities really want to uproot the "Taiwan independence" movement, they should accept our party and government leaders' proposals, enter into equal talks between the KMT and the CPC at an earlier date, effect the third round of cooperation between the two parties, and jointly fulfill the grand cause of the motherland's reunification. Thus, the "Taiwan independence" movement will completely lose the bases on which it exists.

In her New Year speech, Comrade Deng Yingchao reminded Mr Chiang Ching-kuo and his colleagues that no one can neglect the fact that foreign interference in China's internal affairs will never come to an end so long as peaceful reunification is not realized. She also pointed out: Some people with power and influence in the United States openly support "Taiwan independence" activities and think that they have Taiwan in their pocket. Acts such as these are obviously a gross insult to the people of Taiwan, and it is also worth pondering whether they foretell future fortune or disaster for the Taiwan authorities. Comrade Deng Yingchao's simple and honest remarks are for the good of the Taiwan people's interests and the Taiwan authorities' future. The Taiwan authorities should carefully consider this issue and promptly make a correct decision.

PRESIDENT AGAIN VISITS PREMIER SUN IN HOSPITAL

OW290351 Taipei CNA in English 0320 GMT 29 Feb 84

[Text] Taipei, Feb. 29 (CNA) -- President Chiang Ching-kuo Tuesday morning went to the Veterans General Hospital again to visit Premier Sun who is recuperating from a recent brain operation.

President Chiang was first briefed by the medical team on Premier Sun's condition after the surgery. According to the examination report, Premier Sun's temperature, blood pressure and pulse are all very normal and he has begun eating. Shen Li-yang, surgeon in charge of the operation, said Premier Sun is recovering satisfactorily.

The president then entered the ward to shake hands and have a chat with Premier Sun. Premier Sun, deeply touched by President Chiang's heartfelt concern, said: "Mr. President, I am very sorry to have delayed my official business. I hope that the president can take good care." President Chiang asked him to take a good rest and wished him a speedy recovery. In addition to expressing gratitude, President Chiang also bid the doctors and nurses to take good care of Sun. He then left for his office.

COMMENTARY URGES REAGAN TO SELL ROC ADVANCED WEAPONS

OW281423 Taipei International Service in English 0100 GMT 28 Feb 84

[Station commentary]

[Text] President Ronald Reagan reiterated his pledge to the Republic of China a few days ago when he spoke to Asian-Pacific Americans in the White House, saying that the U.S. will maintain a very close economic and cultural tie with the Chinese people on Taiwan. The President also said: We'll continue to support Taiwan's needs and requirements in accordance with the 1979 Taiwan Relations Act. He was obviously referring to the provisions that the U.S. will continue to sell defense arms to the Republic of China.

A man of principle, President Reagan said in making new friends we don't discard the old. And he made the same remarks when he met with Peking's Premier Chao Tzu-yang during his visit to Washington last month. President Reagan did not reaffirm his commitment to Free China at this time for nothing. In a little over one month he will visit Red China. Anticipating Peking's further attempt to blackmail him on the so-called Taiwan question, he was telling the Chinese Communist leadership that the U.S. cannot and will not retreat further on the issue.

By welcoming President Reagan's latest reaffirmation of U.S. commitment, those in Free China would like to remind him that the time has come for the U.S. Government to upgrade the quality of weapons it sells to Taipei. As the Republic of China's Foreign Minister Chu Fu-sung pointed out last Friday, the balance in the Taiwan Strait has already been upset and the Republic of China is standing guard against not only invasion from the Communist mainland but also the expansion of the Soviet Union in this part of the world.

This is by no means a false alarm. Peking has started producing its latest jet fighter code-named F-8. It is an all-weather fighter against which the F-5E jets in the Republic of China's Air Force will be no match. In addition to the threat from Communist China, the Soviet Union has been steadily building up its naval and air strength in the Western Pacific. Early this month, the Kremlin even tried to test the Republic of China's air defense capability by sending a bomber into its airspace.

The 17 August joint communique between Washington and Peking seeking to limit the quantity and quality of U.S. arms sales to the Republic of China at the present level is a clear violation of the Taiwan Relations Act which calls for the supply of weapons for Free China to maintain a sufficient self-defense capability.

As the the relationship between the U.S. and Red China, one cannot help taking exception to President Reagan's assessment. It can by no means be likened to a marriage. In a conjugal relationship, the most basic requirement is that the couple involved must love each other. Certainly there is no love between the U.S. and the Peking regime. Red China will regard the U.S. as a major enemy although it regards Moscow as a bigger threat for the moment. As to the U.S., we doubt an anticommunist leader like President Reagan can feel genuine friendship for the proletarian regime on mainland China. If the relationship between the U.S. and Red China could be called marriage, it is at best a marriage of convenience and is in danger of dissolution at any moment.

FOREIGN MINISTER'S STATEMENT ON HONG KONG ISSUE

OW290417 Taipei CNA in English 0352 GMT 29 Feb 84

[Text] Taipei, Feb. 29 (CNA) -- Foreign Minister Chu Fu-sung Tuesday stated that the position of the Government of the Republic of China on the Hong Kong issue is to safeguard the safety, freedom and welfare of the 5 million people of Hong Kong and its objective is to not let them be communized. Chu made the statement in the second meeting of the Seventh General Session of the First National Assembly held at the Chungshan Building on Yangmingshan.

He told assemblymen that the ROC Government maintains its two-point policy on the Hong Kong issue: no recognition at all on any agreement the British Government and the Peiping regime might reach, and safeguarding the safety, freedom and prosperity of the 5 million residents living in the area of Hong Kong and Kowloon.

Chu further pointed out that to cope with the development of the Hong Kong problem, the Government of the Republic of China is adopting various measures. On the one hand, Chu continued, the government is on the way to constructing the world trade center in Taipei, setting up an international financial center, converting Taiwan into the leading Far East transshipment center, and establishing free trade zones in the area of Taiwan.

On the other hand, the ROC Government is studying feasible programs to help residents of Hong Kong move to Taiwan to set up residence, seek jobs, study, as well as help them transfer their capital for investment into this country, the foreign minister concluded.

CHENG MING CITES DENG ON HONG KONG, MACAO ISSUE

HK290550 Hong Kong CHENG MING in Chinese No 77, 1 Mar 84 p 15

[Article by Lu Chang-chi: "Deng Xiaoping Talks on Hong Kong and Macao Issue -- His Remarks When Meeting Ma Wan-chi"]

[Text] Deng Xiaoping spoke on the Hong Kong and Macao issue when he met with Ma Wan-chi, director of the Macao Chinese General Chamber of Commerce, in Zhuhai on 29 January.

Deng Xiaoping's main theme was, as before, the old tune of "no changes for 50 years," but there was also some new meaning. Deng Xiaoping said that the central authorities have an extremely good understanding of the special features of Hong Kong and Macao. The principles and policies of the central authorities regarding Hong Kong and Macao are based fully on the realities of those places, take full account of their special environment, ensure the stability and prosperity of Hong Kong and Macao and the interests of all sectors there, and also continue to make use of this special condition to serve China's "four modernizations." Speaking on the general guideline of the central authorities for solving the Hong Kong problem, Deng Xiaoping said it is necessary to solve the question of reunification of the whole country and also take account of local prosperity and stability. This is something that has never before happened on the international scene; it is an extremely magnanimous policy. It is understandable that certain people might not believe this, but they will gradually come to understand that we are sincere. This series of policies is certainly not just an expedient measure.

These remarks were conveyed by Ma Wan-chi to a well-known figure paying a new year's greeting call on him at home on the first day of the Lunar New Year. This figure is full of complaints over the 1997 issue. Later, Xu Jiatun also revealed some contents of Deng Xiaoping's remarks when meeting people of various sectors in Macao on 11 February.

Most of those who heard second-hand Deng Xiaoping's remarks on the Hong Kong and Macao issue believe that Communist China is sincere in its guideline for keeping the social system unchanged for 50 years after 1997, because this is beneficial for Communist China. But they still harbor doubts about it.

Thirteen years is neither a long nor a short period; it is questionable whether Deng Xiaoping and others will still be alive then; and it is also questionable whether policy changes will occur in Communist China as a result of personnel changes. Moreover, there is also the cadre problem in Communist China. Even if the policies of the central authorities are correct, the lower levels might do something different when implementing them. This is something that has often happened on the mainland, and who can guarantee that post-1997 Hong Kong will be an exception?

It is evident that the remarks of Old Man Deng have not been able to dispel misgivings.

Macao, 13 February

TA KUNG PAO VIEWS USE OF MANDARIN IN TAIWAN

HK290314 Hong Kong TA KUNG PAO in Chinese 23 Feb 84 p 15

[Article by Lin Chang-feng: "What Is This 'Language Suppression?'"]

[Text] In order to enable people throughout the country to communicate with one another, both the mainland and Taiwan are popularizing the Beijing language. The language is called "Putonghua" on the mainland and "Mandarin" in Taiwan.

However, the theoreticians of the Taiwan independence movement describe the movement to popularize Mandarin, carried out in Taiwan quite successfully the past several decades, as language suppression. They hold that the movement is designed to suppress the Taiwanese compatriots' language and culture; and they link it to the "movement to turn the Taiwanese into the emperor's subjects" launched during the period of Japanese rule. They even describe it as a "step of national oppression."

This is out-and-out childish nonsense.

Language is a basic tool with which people can communicate. It is unimaginable that there could be a human society without a common language. A dialect in a certain area is also a common language of the people living in that area. Without such common language, people in that area could not communicate with one another.

China is a country with many dialects. Minority nationalities have their own national languages. The Han nationality has its own dialects in various regions. People from other provinces cannot understand a dialect spoken in a certain province. The Guangzhou dialect is a striking example. People from other provinces say that it is difficult for them to understand the Guangzhou dialect. Actually, there are four main dialects spoken in Guangdong: the Chaozhou dialect, Guangzhou dialect, Hainan dialect, and Hakka dialect. Apart from these main dialects, there are some other minor ones. People from Chaozhou cannot understand the Hainan dialect and vice versa. Therefore, in the past several decades the Beijing language has been greatly popularized on the mainland and Taiwan. In so doing, people from various provinces and regions can communicate with one another. This is needed in order to promote the solidarity, unity, and development of the country.

In Taiwan, there are two main dialects -- the southern Fujian dialect and the Hakka dialect. Immigrants from Fujian speak the southern Fujian dialect, whereas immigrants from Guangdong speak the Hakka dialect. People of Guashan nationality have their own national language. Even natives of Taiwan need a common language in order to communicate. This is also the case with Guangdong.

The so-called "language suppression" should mean that when a nationality is ruled by an alien nationality, it is prohibited from using its own spoken and written language and is forced to use the spoken and written language of that alien nationality. This happened during the latter stage of Japanese rule in Taiwan when the Japanese for several years launched the "movement to turn the Taiwanese into the emperor's subjects." While the Taiwan authorities are popularizing "Mandarin," they are not banning Taiwan compatriots from speaking the southern Fujian dialect and Hakka dialect, nor are they prohibiting those of the Guashan nationality from speaking their own national language. A similar situation exists on the mainland where Putonghua is being popularized and yet the residents in various regions are not banned from speaking their regional dialects. How can we call this "language suppression?"

Both the mainland and Taiwan are popularizing the Beijing language. Should we call it "Putonghua" or "Mandarin?" I prefer to call it "Mandarin."

GUANGDONG'S 'PREFERENTIAL' ECONOMIC POLICY NOTED

HK250805 Hong Kong WEN WEI PO in Chinese 21 Feb 84 p 3

[Report: "Liang Lingguang, Ye Chenghai Answer Reporters' Questions on Preferential Treatment Given to Joint Ventures"]

[Text] At a press conference held in Guangzhou yesterday (20 February), Liang Lingguang, governor of Guangdong Province, and Ye Chenghai, chairman of the provincial Foreign Economic Commission, answered the questions of reporters concerning the question of preferential treatment given, according to policy, to joint ventures operated and funded by China, and foreign capital and cooperative operations run jointly by China and foreign enterprises.

Question: What preferential treatment is given to joint ventures funded by China and foreign capital regarding the levying of income tax?

Answer: With regard to joint ventures with Chinese and foreign investment, if the tenure is more than 10 years, beginning from the year that profits are gained, they may be exempted from income tax in the first 2 years, and allowed a 50 percent reduction in income tax for 3 more years beginning with the third year. As for joint ventures already in operation, if their tax exemption period is still not due, the period may be extended for another year; and if their tax reduction period is not due, this period may be extended for another year. As for joint ventures with a low profit rate, such as agriculture, forestry, and so on, and joint ventures operated in economically less developed border and remote areas, a 15 to 30 percent reduction in income tax may be allowed for a period of 10 years following the expiration of the term for tax exemptions and reductions in the first 5 years.

Question: What preferential treatment will be given to joint ventures regarding the levying of the unified industrial and commercial tax?

Answer: With regard to the unified industrial and commercial tax for joint ventures with Chinese and foreign investment, if the tax rate for joint ventures is higher than the rate of the unified industrial and commercial tax paid by China's enterprises, the joint ventures may apply for a tax rate equivalent to that paid by China's enterprises.

Question: What preferential treatment in terms of customs duties will be given to joint ventures regarding equipment imported with invested capital?

Answer: The machinery and equipment, spare parts and components, and other requisite materials imported by joint ventures with invested capital (including capital in the form of loans) in accordance with the stipulations in contracts, as well as the machinery and equipment which cannot be obtained with certainty from the interior and so must be imported at additional cost, may be exempted from customs duties and the unified industrial and commercial tax related to the process of importation.

Question: Regarding the products exported by joint ventures, what preferential treatment will be granted?

Answer: Regarding products produced and exported by joint ventures, apart from those commodities which are limited by stipulations set by the State Economic Commission and the Ministry of Foreign Economic Relations and Trade, they will be exempted from the unified industrial and commercial tax and customs duties. Regarding products produced by joint ventures for domestic sales, if it is difficult to pay the tax at the initial stage of operation they may apply for a reduction in or an exemption from the unified industrial and commercial tax within a certain period.

Question: What preferential treatment will be given to the equipment and other materials imported with invested capital by cooperative operations jointly run by Chinese and foreign enterprises?

Answer: Regarding the materials imported by cooperative operations jointly run by Chinese and foreign enterprises according to approved contracts and as investment or additional investment by foreign businessmen, a reduction in or an exemption from taxes is implemented in accordance with the following regulations:

1. Regarding machinery, equipment, spare parts, and materials, which are used in the prospecting, exploiting, and operation of sea oil exploration by the cooperative enterprises run by China and foreign businessmen, as well as the spare parts, components, and materials which are used in producing exploration machinery and equipment, they may be exempted from customs duties and the unified industrial and commercial tax in accordance with the "regulations on levying or exemption from customs duties and the unified industrial and commercial tax on imports and exports of goods used in sea oil exploitation by cooperative enterprises run by China and foreign businessmen" approved by the State Council.

2. The following will be exempted from customs duties and the unified industrial and commercial tax: capital construction in the category of exploitation of energy resources, railway, highway, and ports; machinery and equipment of an advanced nature and which cannot be obtained in China, imported according to stipulations in contracts by cooperative enterprises run by China and foreign businessmen, in the fields of industry, agriculture, forestry, animal husbandry, breeding industry, deep sea fishing, scientific research, education, and medicine and public health; and materials imported for the purpose of building factories and installing and consolidating the machinery and equipment.

3. With regard to building materials imported for building tourist hotels run by cooperative enterprises with Chinese and foreign capital, auxiliary facilities for building these hotels, and electric equipment and other necessities for hotel rooms as part of the building project, an exemption from or a reduction in customs duties and the unified industrial and commercial tax may be granted in accordance with the "regulations on levying or exemption from taxes on imports of materials used in building tourist hotels by Overseas Chinese and foreign capital" approved by the State Council. The concrete measures are as follows:

1. The following materials may be exempted from customs duties and the unified industrial and commercial tax:

- A. Building materials: steel products, cement, and wood;
- B. Auxiliary facilities for building hotels: equipment for drainage and sanitation; apparatus and material for electric supply, thermal engineering, air conditioning; and
- C. Electric equipment in hotel rooms as part of the building project: telephone system, computer control network, elevators, refrigerators, and vacuum cleaners.

2. Customs duties and the unified industrial and commercial tax should be levied on the following articles:

- A. Motor cars, vans, sedan cars (the import of sedan cars should be subject to the approval of the State Council);
- B. Furniture, washing machines, television sets, carpet, silk, cotton, nylon fiber goods, wall covering materials, and other articles for use in hotel rooms.

In order to cater to the needs of the tourist undertaking, customs duties for the above-mentioned taxable articles are computed as follows: If their lowest rate of customs duties is 50 percent or less, they shall be levied according to the original rate; and if their lowest rate of customs duties is more than 50 percent, they shall be levied with a reduced rate of 50 percent, and the unified industrial and commercial tax shall be reduced to a rate of 5 percent.

3. With regard to machines and tools, equipment, transportation cars, and so on, which are used in design and operation work, they may be allowed to be imported temporarily without taxation, and these items should be sent back overseas after the completion of the operation. If they are not sent back, customs duties and the unified industrial and commercial tax should be levied on these items.

(In 1982, the State Council decided that the import of 17 kinds of commodities, including automobiles, television sets, and so on, should be subject to the approval of the State Council. The above-mentioned items, if included in this list, should be handled in accordance with the decision.)

4. With regard to the goods imported by cooperative operations run by Chinese and foreign enterprises, in the fields of commerce, catering trade, photo studios and other service trades, maintenance centers, professional training, passenger and goods transportation, offshore fishing, and other trades, customs duties and the unified industrial and commercial tax should be levied in accordance with relevant regulation.

5. With regard to consumer goods, office equipment, and nonproductive transport facilities imported by foreign businessmen with invested capital, and articles under state import restriction, with the exception of those which may enjoy a reduction in or an exemption from taxes in accordance with the "regulations on levying or exemption from taxes on imports of materials used in building tourist hotels by Overseas Chinese and foreign capital," customs duties and the unified industrial and commercial tax should be levied in accordance with relevant regulations.

Question: What are the regulations on customs duties regarding raw materials and other things imported by the cooperative enterprises run by China and foreign businessmen for the purpose of processing products for export?

Answer: Raw materials, component elements, spare parts, auxiliary materials, and packing materials imported from abroad by cooperative enterprises run by China and foreign businessmen for the purpose of processing products solely for export may be exempted from customs duties and the unified industrial and commercial tax. As for substandard products and that portion of products which cannot be exported for other reasons, as well as the above-mentioned materials and elements which are imported by permit for processing products for domestic sales, they should be taxed in accordance with the relevant regulations.

Question: What are the preferential regulations with regard to domestic and foreign sales of products produced by joint ventures?

Answer: Our government encourages joint ventures to market their products abroad. The export products may be directly marketed by joint ventures themselves, or they may be sold by appointed agents, or through China's foreign trade organizations.

The products of joint ventures may also be marketed in the Chinese market. Those products which are urgently needed by China or which China needs to import from foreign countries may be mainly marketed in the Chinese market. As for joint ventures which can bring in technology not yet developed by China, or which produce the short-term products which China has to import for the time being, the proportion of the these products for domestic sales may be enlarged.

Question: Regarding the import of equipment and material and the export of the products of joint ventures, what measures have been adopted to simplify the necessary procedures for examination and approval?

Answer: With regard to materials used in technical equipment in production imported with foreign investment, they are to be examined and approved by the appointed authorities in conjunction with the administration in charge of examination of the report on feasibility studies for the items (including equipment and lists of materials) or of the initial design. It is not necessary to go through other examination and approval procedures. In the course of exporting products and importing materials, when the joint ventures need to apply for import or export permits in accordance with the state regulations, they will be given equal treatment, the same as that given to the state-run import and export corporations.

Question: What are the regulations in terms of price when joint ventures buy raw materials and other things and sell their products in the domestic market?

Answer: With regard to the price of raw materials, fuel, and power needed in production and purchased by joint ventures in China, as well as various kinds of standard charges, with the exception of the six kinds of materials -- precious metals (gold, silver, and platinum), petroleum, coal, and wood, which are directly used in producing products for export, and which should be paid in foreign currency or in renminbi in accordance with the rates on the international market provided by the State Foreign Exchange Administration or the foreign trade departments, all kinds of commodities should be paid according to the current prices in China, as practiced by the state-run enterprises. The cost of communications and transportation should be paid in accordance with the standard prices prevailing in China.

The products marketed in China by joint ventures with the approval of the state should, in principle, be sold at prevailing prices in China. A reasonable price differential on account of quality is allowed, but prices exceeding the prescribed price differential should be approved by relevant departments responsible for fixing commodity prices.

Question: What preferential treatment will be given to investment in China by Overseas Chinese?

Answer: Concrete measures concerning special preferential treatment given to Overseas Chinese for their investment in China are being formulated, which will be promulgated and implemented after approval by the higher authorities.

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